S. Hrg. 99-620

NOMINATION OF ROBERT M. GATES

HEARING

BEFORE THE

SELECT COMMITTEE ON INTELLIGENCE

OF THE

UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

ON

NOMINATION OF ROBERT M. GATES TO BE DEPUTY
DIRECTOR OF CENTRAL INTELLIGENCE

APRIL 10, 1986

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NOMINATION OF ROBERT M. GATES TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

THURSDAY, APRIL 10, 1986

U.S. SENATE,
SELECT COMMITTEE ON INTELLIGENCE,
Washington, DC.

The select committee met, pursuant to notice, at 2:02 p.m., in room SH-219, Hart Senate Office Building, Hon. Dave Durenberger (chairman of the committee) presiding.

Present: Senators Durenberger, Cohen, Murkowski, Specter, Hecht, McConnell, Leahy, Nunn, Boren, and Bradley.

Also present: Bernard McMahon, staff director; Gary Chase, chief counsel; Eric Newsom, minority staff director; Daniel Finn, minority counsel; Dorthea Roberson, clerk of the committee; and members of the staff.

OPENING STATEMENT OF CHAIRMAN DURENBERGER

The CHAIRMAN. This afternoon's hearing is for the purpose of confirming Mr. Robert Gates as Deputy Director of Central Intelligence. I would first like to welcome Mr. Gates and also to welcome his wife Becky, who I think is in the rear of the room or here somewhere. It's a pleasure to have you here, Mr. Gates. I would like to thank Bob in advance for the complete and very candid responses he has provided to our written questions.

This hearing is of the essence of the oversight responsibility which this committee exercises over the intelligence process in this country. The effectiveness of national intelligence in support of the policymakers, the conformance of intelligence activity with the law and the wise expenditure of funds invested in collection, analysis, and operation are dependent in the final analysis on the leadership at the top of the intelligence structure. Today the committee will vote on Bob Gates' qualification to assume that mantle of leadership. Mr. Gates comes before us with a distinguished record of performance, a record which led Mr. Casey to select him for this important task. But we do not base our judgment on past achievements alone we must assess Mr. Gates' ability to perform an entirely new and challenging role. It is his future record which will help set the tone of the operations of the intelligence community in the years to come. And the intelligence community is, perhaps, at the most important crossroads in its history. On the one hand, the demand for intelligence has never been greater and on the other, the collection of intelligence has never been more difficult—and the resources available never more strained.

Not only will Mr. Gates be responsible for providing direction to the community as they face these challenges, he'll be held accountable for the outcome.

I know we will all have questions for Mr. Gates to help make our individual assessments. But, before we start, I would like to comment on just one unique aspect of Mr. Gates' new duties which relates specifically to this committee.

Mr. Gates, you are a professional intelligence officer. Your career has extended over many administrations—Republican and Democrat—and you have provided the intelligence to support a spectrum of policies—some good, some bad, some in effect now that are different from ones which were followed before. Your success as a professional has been built upon your integrity—your ability to speak the truth—to state the facts as you know them regardless of the political environment that existed around you, and that is the strength of all professional intelligence officers—and the particular strength you bring to the position as Deputy Director. This committee must rely on you to provide us with the same straightforward, uninhibited professional advice, judgment and facts in the future that you have, others and us, in the past. We expect you to be loyal to this administration, this administration you serve, but we also demand that you maintain your professional integrity above that loyalty. This is your responsibility to your country—and under the law—to its Congress. You must understand at the outset that your acceptance of this important position of leadership brings with it an accountability to us and to the American people—as well as to the administration you serve.

I'll yield at this time to my vice chairman, Pat Leahy.

OPENING STATEMENT OF VICE CHAIRMAN LEAHY

Senator **Leahy**. Thank you, Mr. Chairman. I join with you in welcoming Dr. Gates to this hearing on his nomination to be Deputy Director of Central Intelligence and I'm also pleased that Mrs. Gates can be here as well. It may be your one chance, Mrs. Gates, to see the room that he'll probably be spending far more time than he wants to in, and you'll probably know the days he's been in this room by his reaction when he gets home at the end of the day.

We should also give a special welcome to the public, who seldom have an opportunity to attend a hearing of the Intelligence Committee. After you have been through this hearing you may also count your blessings in that regard and be glad that it might be another few years before an open hearing.

The room in which we are meeting today is a special secure facility that symbolizes the commitment of the Senate to be kept fully and currently informed of intelligence activities under the law, and also to respect the secrecy of intelligence sources and methods.

Importance of Intelligence

No one can doubt the enormous importance of intelligence to preserving U.S. national security. Timely and accurate intelligence is essential on the full range of foreign policy and military topics. Aside from the traditional intelligence focus on the military developments, the Soviet Union and arms control, key subjects of current concern include responsibility for international terrorism, and espionage against United States military operations and technology, and developments in the Third World.

The national intelligence budget, which of course is classified, has regularly received strong support in Congress. Under the leadership of the intelligence oversight committees, Congress has approved increases in the intelligence budget that have exceeded even the rise in military expenditures.

The budget cuts that will affect Federal programs across the board will undoubtedly affect the intelligence community. Also, the intelligence budget is part of the defense budget. There will be an inevitable tendency for program managers in the Pentagon to try to protect their own weapons programs, and even start new ones, often at the expense of intelligence programs.

I believe I speak for all the members of this committee in saying that intelligence programs should receive special protection from the full reductions that are expected in the defense budget. Intelligence is a force multiplier for military operations. It more than pays for itself. There's no sense in building new weapons if you can't detect and assess enemy threats, or even identify targets during crises.

Defending the intelligence budget from unwarranted cuts is difficult, however, because it is virtually all classified. Public appeals can't be made to overcome bureaucratic special interests as they are in other items that are public and included in the defense budget.

A key element in preserving intelligence programs, and in maintaining public understanding and support for intelligence, is congressional oversight of intelligence activities.

When the Select Committee on Intelligence and its counterpart in the House were created, the intelligence community was reeling from public disclosures of serious abuses and illegalities in the conduct of certain intelligence programs.

Since that time, the intelligence oversight committees have played a key role in assuring the public that classified intelligence activities were being carefully overseen and properly conducted. Oversight has benefited from the attitude of administrations that have been more sensitive to past abuses. As elected representatives of the people, members of the intelligence committees are uniquely situated both to review sensitive matters and deal with public concerns.

The gravest danger facing intelligence is that intelligence studies, or even intelligence operations, may become influenced by policy or even political influences.

Every effort must be made to see that intelligence reports and analyses are not made into props for policymakers. Intelligence has to be completely objective.

Even more damaging to the reputation of intelligence agencies is asking them to conduct foreign policy. Covert action is a specialized tool that is handled by Congress through the Intelligence Committees. Neither the intelligence community nor ultimately the oversight committees can bear the weight of highly publicized operations, which have really been used as a substitute for foreign policy.

And finally, recent months—and even days—have seen a continuing series of leaks derived from the most sensitive intelligence sources. Many times the information that has appeared in the press about intelligence has not only been earlier, but even more complete than that sent on official notice to this committee. It's also clear that all or nearly all such leaks of sensitive information have originated at various levels in the executive branch.

I am concerned, Mr. Chairman, that this is something that seems to escalate from administration to administration. I've served here now with three administrations. I thought the problem was bad in the first one; I thought it got a lot worse in the second; but the problem of leaks has never been so severe as it is today. This problem is so serious that it threatens the integrity of the classification system and the entire foundation of intelligence.

The hearing today on Dr. Gates' nomination as Deputy Director of Central Intelligence is an excellent opportunity for a fuller public discussion of these issues. I might say personally that I have enjoyed working with Dr. Gates. I appreciate his candor in our meetings. I think that we are fortunate to have people of his caliber in the Government.

The **Chairman**. Before I call on our colleagues to see if they have any opening statements, out of deference to our colleague from Virginia, I would like to ask if there are any remarks he would like to make on Mr. Gates' behalf.

Senator **Warner**. Yes.

STATEMENT OF SENATOR WARNER, A U.S. SENATOR FROM THE STATE OF VIRGINIA

Senator **Warner**. Thank you, Mr. Chairman. There are several votes here; I wish you'd keep them here as we go on.

It is with particular pleasure that I present to the committee Bob Gates, a man you already know as an outstanding professional intelligence officer.

I also want to welcome to the Senate this afternoon his wife, Becky, who has been introduced by the chairman.

Bob is to be congratulated on having received the President's nomination to serve as the Deputy Director of Central Intelligence, clear evidence of the President's confidence in him.

This confidence, I am sure, results from his success in an impressive variety of positions since he joined the Central Intelligence Agency 20 years ago. Dr. Gates has worked as an intelligence analyst, specializing on the Soviet Union and on arms control issues. He served at the National Security Council under three Presidents.

Since January 1982, as Deputy Director for Intelligence, Bob Gates has been responsible for the analysis and production of all finished intelligence done by the CIA.

And, for the last 31 months, as Chairman of the National Intelligence Council, he has overseen the preparation of all national intelligence estimates as well.

This varied experience has given Bob Gates a keen understanding of the complexity of the problems associated with the collection, production, and use of finished intelligence.

As a close adviser to the Director for 5 years now, and a senior manager of CIA, he is also familiar with other aspects of intelligence.

Such experience has equipped him to deal effectively with the critical issues and challenges that face the United States and the intelligence community now and in the years to come.

He is undoubtedly well qualified to assume the sensitive and important position of Deputy Director of CIA.

As the chairman is aware, Bob Gates is the recipient of the Intelligence Medal of Merit and the Arthur S. Fleming Award, which is presented annually to the 10 most outstanding men and women in Federal service.

And so, Mr. Chairman, it is with great pleasure that I present him to the committee as an experienced intelligence professsional, as a distinguished citizen of Virginia, and as a distinguished American.

I thank the Chair.

The CHAIRMAN. Thank you very much. Do any of the members of the committee have opening statements? Chic Hecht.

STATEMENT OF SENATOR HECHT

Senator HECHT. Thank you, Mr. Chairman. No statement.

The CHAIRMAN. Arlen Specter.

OPENING STATEMENT OF SENATOR SPECTER

Senator SPECTER. Mr. Chairman, just a word or two. I join in the welcome for Mr. Gates. I was pleased to note in his prepared statement a comment about encouraging the oversight process. From time to time there tends to be some questions as to whether the CIA is receptive to the work of the Intelligence Committees—this committee specifically. I personally believe that oversight is very important and I'm glad to see Mr. Gates start off with an affirmation of that approach because I think that this committee does have an important role in a cooperative sense to assist the CIA in enhaning the intelligence capabilities. I also take note that you have specified the assistance which the committee can give in providing protection, where appropriate, from unfounded accusations against the CIA. I welcome you here and I'm glad to see the positive approach that you've taken in your opening statement. Thank you, Mr. Chairman.

The CHAIRMAN. Bill Cohen.

OPENING STATEMENT OF SENATOR COHEN

Senator COHEN. I have no statement, Mr. Chairman, other than to welcome Mr. Gates.

The CHAIRMAN. Mitch McConnell.

OPENING STATEMENT OF SENATOR McCONNELL

Senator McCONNELL. I would just like to say, Mr. Chairman, that I think the President has made an inspired choice here, and I'm pleased at Bob's nomination. I look forward to hearing Bob this afternoon.

The **Chairman**. At this point I will, without objection, include in the record the background and financial disclosure statement filed with the committee by the nominee pursuant to Committee Rule 5.6. And I will also insert for inclusion in the appropriate part of the record a report from the Director of the Office of Government Ethics and again without objection any letters that might have been received in support or in opposition to the nominee.

SELECT COMMITTEE ON INTELLIGENCE

UNITED STATES SENATE

QUESTIONNAIRE FOR COMPLETION BY PRESIDENTIAL NOMINEES

EFFECTIVE JANUARY 1986

SELECT COMMITTEE ON INTELLIGENCE
UNITED STATES SENATE

QUESTIONNAIRE FOR COMPLETION BY PRESIDENTIAL NOMINEES

PART A - BIOGRAPHICAL INFORMATION

1. NAME: Robert Michael Gates

2. DATE AND PLACE OF BIRTH: 9-25-43 -- Wichita, Kansas

3. MARITAL STATUS: Married

4. SPOUSE'S NAME: Rebecca Wilkie Gates

5. SPOUSE'S MAIDEN NAME IF APPLICABLE: n/a

6. NAMES AND AGES OF CHILDREN:

Name	Age
Eleanor Marie	10
Bradley Robert	5

7. EDUCATION SINCE HIGH SCHOOL:

INSTITUTION	DATES ATTENDED	DEGREE RECEIVED	DATE OF DEGREE
College of William & Mary	1961-65	BA	1965
Indiana University	1965-66	MA	1966
Georgetown University	1969-74	PhD	1974

8. EMPLOYMENT RECORD (LIST ALL POSITIONS HELD SINCE COLLEGE, INCLUDING MILITARY SERVICE. INDICATE NAME OF EMPLOYER, POSITION TITLE OR DESCRIPTION, LOCATION, AND DATES OF EMPLOYMENT):

EMPLOYER	POSITION/TITLE	LOCATION	DATES OF EMPLOYMENT

(SEE ATTACHED)

9. GOVERNMENT EXPERIENCE (INDICATE EXPERIENCE IN OR ASSOCIATION WITH FEDERAL, STATE OR LOCAL GOVERNMENTS, INCLUDING ADVISORY, CONSULTATIVE, HONORARY OR OTHER PART-TIME SERVICE OR POSITION. DO NOT REPEAT INFORMATION ALREADY PROVIDED IN ANSWER TO QUESTION 8):

Williamsburg, VA Public Schools	School Bus Driver (part-time when student)	Williamsburg, VA	1963-65
State of Kansas Grain Inspection Department	Grain Inspector (Summer job)	Wichita, Kansas	1961
Wichita, Kansas Parks Commission	Laborer (Summer job)	Wichita, Kansas	1962-63

10. HONORS AND AWARDS (PROVIDE INFORMATION ON SCHOLARSHIPS, FELLOWSHIPS, HONORARY DEGREES, MILITARY DECORATIONS, CIVILIAN SERVICE CITATIONS, OR ANY OTHER SPECIAL RECOGNITION FOR OUTSTANDING PERFORMANCE OR ACHIEVEMENT):

Admiral Cary T. Grayson Scholarship College of William and Mary	1961-65
Richard Lee Morton Scholarship Honors in History College of William and Mary	1964-65
Algernon Sydney Sullivan Medal presented by William and Mary to graduating senior who has made greatest contribution to fellow man	1965
Arthur S. Flemming Award (to 10 most outstanding young people in Federal Service - by Jaycees)	1978
Intelligence Medal of Merit	1981

11. ORGANIZATIONAL AFFILIATIONS (LIST MEMBERSHIPS IN AND OFFICES HELD WITHIN THE LAST TEN YEARS IN ANY PROFESSIONAL, CIVIC, FRATERNAL, BUSINESS, SCHOLARLY, CULTURAL, CHARITABLE OR OTHER SIMILAR ORGANIZATIONS):

ORGANIZATION	OFFICE HELD	DATES
Council on Foreign Relations	none	1982 - present

12. PUBLISHED WRITINGS AND SPEECHES (LIST THE TITLES, PUBLISHERS, AND PUBLICATION DATES OF ANY BOOKS, ARTICLES, REPORTS OR OTHER PUBLISHED MATERIALS YOU HAVE AUTHORED. ALSO LIST THE TITLES OF ANY PUBLIC SPEECHES YOU HAVE MADE WITHIN THE LAST 10 YEARS FOR WHICH THERE IS A TEXT OR TRANSCRIPT. TO THE EXTENT POSSIBLE, PLEASE PROVIDE A COPY OF EACH SUCH PUBLICATION, TEXT OR TRANSCRIPT:

1. "An Opportunity Unfulfilled -- The Use and Perceptions of Intelligence Analysis at the White House" (SECRET); Studies in Intelligence, 1980.

2. "The Soviet Threat"; Speech at 50th Session of Military Operations Research Society, March 1983.

3. "Improving CIA Analysis"; Washington Post, 12 December 1984.

4. "CIA and the University"; Speech at Harvard University, 13 February 1986.

PART B - QUALIFICATIONS AND REFERENCES

13. QUALIFICATIONS (DESCRIBE WHY YOU BELIEVE YOU ARE QUALIFIED TO SERVE IN THE POSITION FOR WHICH YOU HAVE BEEN NOMINATED):

(SEE ATTACHED)

14. REFERENCES (PROVIDE THE NAMES AND BUSINESS ADDRESSES AND TELEPHONE NUMBERS OF FIVE INDIVIDUALS WHOM YOU BELIEVE ARE IN A POSITION TO COMMENT ON YOUR QUALIFICATIONS TO SERVE IN THE POSITION FOR WHICH YOU HAVE BEEN NOMINATED. INCLUDE THREE INDIVIDUALS WHO HAVE KNOW YOU FOR AT LEAST FIVE YEARS):

NAME	BUSINESS ADDRESS	BUSINESS TELEPHONE	YEARS KNOWN
Richard J. Kerr	Central Intelligence Agency Washington, D.C. 20505	351-5454	5
John Bross	4501 Crest Lane McLean, VA 22101	524-0264	5
Zbigniew Brzezinski	1800 K St., N.W. Suite 624 Washington, D.C. 20006	833-2408	9
Lawrence Eagleburger	350 Park Avenue 26th Floor New York, N.Y.	(212) 759-7919	6
Leo Cherne	Research Institute of America, Inc. 589 Fifth Avenue New York, N.Y. 10017	(212) 755-2944	5

PART C - POLITICAL AND FOREIGN AFFILIATIONS

15. POLITICAL ACTIVITIES (LIST ANY MEMBERSHIPS OR OFFICES HELD IN OR FINANCIAL CONTRIBUTIONS OR SERVICES RENDERED TO, ANY POLITICAL PARTY, ELECTION COMMITTEE, POLITICAL ACTION COMMITTEE, OR INDIVIDUAL CANDIDATE DURING THE LAST TEN YEARS):

None.

16. CANDIDACY FOR PUBLIC OFFICE (FURNISH DETAILS OF ANY CANDIDACY FOR ELECTIVE PUBLIC OFFICE):

None.

17. FOREIGN AFFILIATIONS

NOTE: QUESTIONS 17 A AND B ARE NOT LIMITED TO RELATIONSHIPS REQUIRING REGISTRATION UNDER THE FOREIGN AGENTS REGISTRATION ACT. QUESTIONS 17 A, B AND C DO NOT CALL FOR A POSITIVE RESPONSE IF THE REPRESENTATION OR TRANSACTION WAS AUTHORIZED BY THE UNITED STATES GOVERNMENT IN CONNECTION WITH YOUR OR YOUR SPOUSE'S EMPLOYMENT IN GOVERNMENT SERVICE.

A. HAVE YOU OR YOUR SPOUSE EVER REPRESENTED IN ANY CAPACITY (E.G., EMPLOYEE, ATTORNEY, BUSINESS, OR POLITICAL ADVISER

No.

OR CONSULTANT), WITH OR WITHOUT COMPENSATION, A FOREIGN GOVERNMENT OR AN ENTITY CONTROLLED BY A FOREIGN GOVERNMENT? IF SO, PLEASE FULLY DESCRIBE SUCH RELATIONSHIP.

No.

B. IF YOU OR YOUR SPOUSE HAS EVER BEEN FORMALLY ASSOCIATED WITH A LAW, ACCOUNTING, PUBLIC RELATIONS FIRM OR OTHER SERVICE ORGANIZATION, HAVE ANY OF YOUR OR YOUR SPOUSE'S ASSOCIATES REPRESENTED, IN ANY CAPACITY, WITH OR WITHOUT COMPENSATION, A FOREIGN GOVERNMENT OR AN ENTITY CONTROLLED BY A FOREIGN GOVERNMENT? IF SO, PLEASE FULLY DESCRIBE SUCH RELATIONSHIP.

No.

C. DURING THE PAST TEN YEARS HAVE YOU OR YOUR SPOUSE RECEIVED ANY COMPENSATION FROM, OR BEEN INVOLVED IN ANY FINANCIAL OR BUSINESS TRANSACTIONS WITH, A FOREIGN GOVERNMENT OR AN ENTITY CONTROLLED BY A FOREIGN GOVERNMENT? IF SO, PLEASE FURNISH DETAILS.

No.

D. HAVE YOU OR YOUR SPOUSE EVER REGISTERED UNDER THE FOREIGN AGENTS REGISTRATION ACT? IF SO, PLEASE FURNISH DETAILS.

No.

18. DESCRIBE ANY LOBBYING ACTIVITY DURING THE PAST TEN YEARS, OTHER THAN IN AN OFFICIAL U.S. GOVERNMENT CAPACITY, IN WHICH YOU OR YOUR SPOUSE HAVE ENGAGED FOR THE PURPOSE OF DIRECTLY OR INDIRECTLY INFLUENCING THE PASSAGE, DEFEAT OR MODIFICATION OF

None.

LEGISLATION AT THE NATIONAL LEVEL OF GOVERNMENT, OR FOR THE PURPOSE OF AFFECTING THE ADMINISTRATION AND EXECUTION OF NATIONAL LAW OR PUBLIC POLICY.

PART D - FINANCIAL DISCLOSURE AND CONFLICT OF INTEREST

19. DESCRIBE ANY EMPLOYMENT, BUSINESS RELATIONSHIP, FINANCIAL TRANSACTION, INVESTMENT, ASSOCIATION OR ACTIVITY (INCLUDING, BUT NOT LIMITED TO, DEALINGS WITH THE FEDERAL GOVERNMENT ON YOUR OWN BEHALF OR ON BEHALF OF A CLIENT), WHICH COULD CREATE, OR APPEAR TO CREATE, A CONFLICT OF INTEREST IN THE POSITION TO WHICH YOU HAVE BEEN NOMINATED.

None.

20. DO YOU INTEND TO SEVER ALL BUSINESS CONNECTIONS WITH YOUR PRESENT EMPLOYERS, FIRMS, BUSINESS ASSOCIATES AND/OR PARTNERSHIPS OR OTHER ORGANIZATIONS IN THE EVENT THAT YOU ARE CONFIRMED BY THE SENATE? IF NOT, PLEASE EXPLAIN.

I have no such business connections.

21. DESCRIBE THE FINANCIAL ARRANGEMENTS YOU HAVE MADE OR PLAN TO MAKE, IF YOU ARE CONFIRMED, IN CONNECTION WITH SEVERANCE FROM YOUR CURRENT POSITION. PLEASE INCLUDE SEVERANCE PAY, PENSION RIGHTS, STOCK OPTIONS, DEFERRED INCOME ARRANGEMENTS, AND ANY AND ALL COMPENSATION THAT WILL OR MIGHT BE RECEIVED IN THE FUTURE AS A RESULT OF YOUR CURRENT BUSINESS OR PROFESSIONAL RELATIONSHIPS.

I have no such financial arrangements.

22. DO YOU HAVE ANY PLANS, COMMITMENTS OR AGREEMENTS TO PURSUE OUTSIDE EMPLOYMENT, WITH OR WITHOUT COMPENSATION, DURING YOUR SERVICE WITH THE GOVERNMENT? IF SO, PLEASE FURNISH DETAILS.

No.

23. AS FAR AS CAN BE FORESEEN, STATE YOUR PLANS AFTER COMPLETING GOVERNMENT SERVICE. PLEASE SPECIFICALLY DESCRIBE ANY AGREEMENTS OR UNDERSTANDINGS, WRITTEN OR UNWRITTEN, CONCERNING EMPLOYMENT AFTER LEAVING GOVERNMENT SERVICE. IN PARTICULAR, DESCRIBE ANY AGREEMENTS, UNDERSTANDINGS OR OPTIONS TO RETURN TO YOUR CURRENT POSITION.

No present plans; no agreements, understandings or options.

24. IF YOU ARE PRESENTLY IN GOVERNMENT SERVICE, DURING THE PAST FIVE YEARS OF SUCH SERVICE, HAVE YOU RECEIVED FROM A PERSON OUTSIDE OF GOVERNMENT AN OFFER OR EXPRESSION OF INTEREST TO EMPLOY YOUR SERVICES AFTER YOU LEAVE GOVERNMENT SERVICE?

Yes -- asked to be candidate for Director, Houston Area Research Center. (1984) Another candidate selected.

Offered position as Deputy Managing Director, International Research and Information Service. (1981) I turned down the offer.

25. IS YOUR SPOUSE EMPLOYED? IF THE NATURE OF THIS EMPLOYMENT IS RELATED IN ANY WAY TO THE POSITION FOR WHICH YOU ARE SEEKING CONFIRMATION, PLEASE INDICATE YOUR SPOUSE'S EMPLOYER, THE POSITION AND THE LENGTH OF TIME THE POSITION HAS BEEN HELD. IF YOUR SPOUSE'S EMPLOYMENT IS NOT RELATED TO THE POSITION TO WHICH YOU HAVE BEEN NOMINATED, PLEASE SO STATE.

Yes -- Her employment with Northern Virginia Community College is not related in any way to the position to which I have been nominated.

26. LIST BELOW ALL CORPORATIONS, PARTNERSHIPS, FOUNDATIONS, TRUSTS, OR OTHER ENTITIES TOWARD WHICH YOU OR YOUR SPOUSE HAVE FIDUCIARY OBLIGATIONS OR IN WHICH YOU OR YOUR SPOUSE HAVE HELD DIRECTORSHIPS OR OTHER POSITONS OF TRUST DURING THE PAST FIVE YEARS.

NAME OF ENTITY	POSITION	DATES HELD	SELF OR SPOUSE
None.			

27. LIST ALL GIFTS EXCEEDING $500 IN VALUE RECEIVED DURING THE PAST FIVE YEARS BY YOU, YOUR SPOUSE, OR YOUR DEPENDENTS. GIFTS RECEIVED FROM RELATIVES AND GIFTS GIVEN TO A SPOUSE OR DEPENDENT TOTALLY INDEPENDENT OF THEIR RELATIONSHIP TO YOU NEED NOT BE INCLUDED.

None.

28. LIST ALL SECURITIES, REAL PROPERTY, PARTNERSHIP INTERESTS, OR OTHER INVESTMENTS OR RECEIVABLES WITH A CURRENT MARKET VALUE (OR, IF MARKET VALUE IS NOT ASCERTAINABLE, ESTIMATED CURRENT FAIR VALUE) IN EXCESS OF $1,000. (NOTE: THE INFORMATION PROVIDED IN RESPONSE TO SCHEDULE A OF THE DISCLOSURE FORMS OF THE OFFICE OF GOVERNMENT ETHICS MAY BE INCORPORATED BY REFERENCE, PROVIDED THAT CURRENT VALUATIONS ARE USED.)

DESCRIPTION OF PROPERTY	VALUE	METHOD OF VALUATION
See Schedule A of Form 278.		

29. LIST ALL LOANS, MORTGAGES, OR OTHER INDEBTEDNESS (INCLUDING ANY CONTINGENT LIABILITIES) IN EXCESS OF $10,000. (NOTE: THE INFORMATION PROVIDED IN RESPONSE TO SCHEDULE D OF THE DISCLOSURE FORM OF THE OFFICE OF GOVERNMENT ETHICS MAY BE INCORPORATED BY REFERENCE, PROVIDED THAT CONTINGENT LIABILITIES ARE ALSO INCLUDED.)

NATURE OF OBLIGATION	NAME OF OBLIGEE	AMOUNT
See Schedule C of Form 278.		

(Mortgage on personal residence held by Perpetual American FSB in the amount of $95,000.)

30. ARE YOU OR YOUR SPOUSE NOW IN DEFAULT ON ANY LOAN, DEBT OR OTHER FINANCIAL OBLIGATION? HAVE YOU OR YOUR SPOUSE BEEN IN DEFAULT ON ANY LOAN, DEBT OR OTHER FINANCIAL OBLIGATION IN THE PAST TEN YEARS? IF THE ANSWER TO EITHER QUESTION IS YES, PLEASE PROVDE DETAILS.

No.

31. LIST SOURCES AND AMOUNTS OF ALL INCOME RECEIVED DURING THE LAST FIVE YEARS, INCLUDING ALL SALARIES, FEES, DIVIDENDS, INTEREST, GIFTS, RENTS, ROYALTIES, PATENTS, HONORARIA, AND OTHER ITEMS EXCEEDING $500. (IF YOU PREFER TO DO SO, COPIES OF U.S. INCOME TAX RETURNS FOR THESE YEARS MAY BE SUBSTITUTED HERE, BUT THEIR SUBMISSION IS NOT REQUIRED.)

	1981	1982	1983	1984	1985
Salary	50,107*	70,924*	78,738*	79,470*	85,886*
Fees, royalties					
Dividends					
Interest	--	167.**	501.**	260.**	327.**
Gifts					
Rents					
Other-exceeding $500					
Total					

* Includes CIA performance award

** Does not include IRA interest accruing.

32. IF ASKED, WOULD YOU PROVIDE THE COMMITTEE WITH COPIES OF YOUR AND YOUR SPOUSE'S FEDERAL INCOME TAX RETURNS FOR THE PAST THREE YEARS?

Yes.

33. HAVE YOUR FEDERAL OR STATE TAX RETURNS BEEN THE SUBJECT OF ANY AUDIT, INVESTIGATION OR INQUIRY AT ANY TIME? IF SO, PLEASE PROVIDE DETAILS, INCLUDING THE RESULT OF ANY SUCH PROCEEDING.

Virginia State Return (1981). Interest computed incorrectly. Assessed additional $76.42.

34. ATTACH A SCHEDULE ITEMIZING EACH INDIVIDUAL SOURCE OF INCOME WHICH EXCEEDS $500. IF YOU ARE AN ATTORNEY, ACCOUNTANT, OR OTHER PROFESSIONAL, ALSO ATTACH A SCHEDULE LISTING ALL CLIENTS AND CUSTOMERS WHOM YOU BILLED MORE THAN $500 WORTH OF SERVICES DURING THE PAST FIVE YEARS.

None.

35. DO YOU INTEND TO PLACE YOUR FINANCIAL HOLDINGS AND THOSE OF YOUR SPOUSE AND DEPENDENT MEMBERS OF YOUR IMMEDIATE HOUSEHOLD IN A BLIND TRUST? IF YES, PLEASE FURNISH DETAILS.

No.

36. EXPLAIN HOW YOU WILL RESOLVE ANY ACTUAL OR POTENTIAL CONFLICTS OF INTEREST THAT MAY BE INDICATED BY YOUR RESPONSE TO THE QUESTIONS IN THIS PART OR IN PART C (QUESTIONS 15 THRU 35).

N/A

PART E - ETHICAL MATTERS

37. HAVE YOU EVER BEEN DISCIPLINED OR CITED FOR A BREACH OF ETHICS FOR UNPROFESSIONAL CONDUCT BY, OR BEEN THE SUBJECT OF A COMPLAINT TO, ANY COURT, ADMINISTRATIVE AGENCY, PROFESSIONAL ASSOCIATION, DISCIPLINARY COMMITTEE OR OTHER PROFESSIONAL GROUP? IF SO, PROVIDE DETAILS.

No.

38. HAVE YOU EVER BEEN INVESTIGATED, HELD, ARRESTED, OR CHARGED BY ANY FEDERAL, STATE, OR OTHER LAW ENFORCEMENT AUTHORITY FOR VIOLATION OF ANY FEDERAL, STATE, COUNTY, OR MUNICIPAL LAW, REGULATION, OR ORDINANCE, OTHER THAN A MINOR TRAFFIC OFFENSE, OR NAMED EITHER AS A DEFENDANT OR OTHERWISE IN ANY INDICTMENT OR INFORMATION RELATING TO SUCH VIOLATION? IF SO, PROVIDE DETAILS.

No.

39. HAVE YOU EVER BEEN CONVICTED OF OR ENTERED A PLEA OF GUILTY OR NOLO CONTENDERE TO ANY CRIMINAL VIOLATION OTHER THAN A MINOR TRAFFIC OFFENSE? IF SO, PROVIDE DETAILS.

No.

40. ARE YOU PRESENTLY OR HAVE YOU EVER BEEN A PARTY IN INTEREST IN ANY ADMINISTRATIVE AGENCY PROCEEDING OR CIVIL LIGIGATION? IF SO, PROVIDE DETAILS.

No.

41. **HAVE YOU BEEN** INTERVIEWED OR ASKED TO SUPPLY ANY INFORMATION AS A WITNESS OR OTHERWISE IN CONNECTION WITH ANY CONGRESSIONAL INVESTIGATION, FEDERAL OR STATE AGENCY PROCEEDING, GRAND JURY INVESTIGATION, OR CRIMINAL OR CIVIL LITIGATION IN THE PAST TEN YEARS? IF SO, PROVIDE DETAILS.

Interviewed by FBI and Senate Judiciary Committee during Senate consideration of Stanley Sporkin to be U.S. District Court Judge. (1985)

Interviewed by staff of Congressional Committee investigating Billy Carter's association with Libya, specifically regarding actions taken by others as a result of a memorandum I wrote to Zbigniew Brzezinski urging him to protect policy interests by preventing Mr. Carter from traveling to Libya. (1980)

(Continued - See Attached)

42. HAS ANY BUSINESS OF WHICH YOU ARE OR WERE AN OFFICER, DIRECTOR OR PARTNER BEEN A PARTY TO ANY ADMINISTRATIVE AGENCY PROCEEDING OR CRIMINAL OR CIVIL LICIGATION RELEVANT TO THE POSITION TO WHICH YOU HAVE BEEN NOMINATED? IF SO, PROVIDE DETAILS. (WITH RESPECT TO A BUSINESS OF WHICH YOU ARE OR WERE AN OFFICER, YOU NEED ONLY CONSIDER PROCEEDINGS AND LITIGATION THAT OCCURRED WHILE YOU WERE AN OFFICER OF THAT BUSINESS.)

No.

PART F - ADDITIONAL INFORMATION

43. DESCRIBE IN YOUR OWN WORDS THE CONCEPT OF CONGRESSIONAL OVERSIGHT OF U.S. INTELLIGENCE ACTIVITIES. IN PARTICULAR, CHARACTERIZE WHAT YOU BELIEVE TO BE THE OBLIGATIONS OF THE DIRECTOR OF CENTRAL INTELLIGENCE, THE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, AND THE INTELLIGENCE COMMITTEES OF THE CONGRESS RESPECTIVELY IN THIS PROCESS.

(SEE ATTACHED)

44. DEFINE IN YOUR OWN WORDS THE DUTIES OF THE POSITION TO WHICH YOU HAVE BEEN NOMINATED.

(SEE ATTACHED)

45. PLEASE ADVISE THE COMMITTEE OF ANY ADDITIONAL INFORMATION, FAVORABLE OR UNFAVORABLE, WHICH YOU FEEL SHOULD BE CONSIDERED IN CONNECTION WITH YOUR NOMINATION.

None.

8. EMPLOYMENT RECORD (LIST ALL POSITIONS HELD SINCE COLLEGE, INCLUDING MILITARY SERVICE. INDICATE NAME OF EMPLOYER, POSITION TITLE OR DESCRIPTION, LOCATION, AND DATES OF EMPLOYMENT):

EMPLOYER	POSITION/TITLE	LOCATION	DATES OF EMPLOYMENT
CIA	Biographic analyst	Wash.,D.C.	8/66-10/66
US Air Force	Commissioned Officer 1st Lt	Wash.,D.C. Officer Training School Lackland AFB, Texas 351st Strategic Missile Wing Whiteman AFB, Mo.	10/66-1/68
US Air Force (on detail to CIA)	Analyst, Office of Current Intelligence	Wash.,D.C.	1/68-1/69
CIA	Analyst, Office of Current Intelligence	Wash.,D.C.	1/69-6/71
CIA	Staff Member, CIA SALT Support Staff/Intelligence Adviser US SALT delegation	Wash.,D.C. Vienna,Austria Geneva, Switzerland	6/71-11/73
CIA	Asst National Intelligence Officer for Strategic Programs	Wash.,D.C.	11/73-6/74
CIA (on detail to NSC Staff)	Staff Member for USSR and Europe, National Security Council	White House	6/74-12/76
CIA	Staff Member, Center for Policy Support Directorate of Intelligence	Wash.,D.C.	12/76-6/77
CIA (on detail to NSC Staff)	Special Asst to National Security Adviser Zbigniew Brzezinski	White House	6/77-12/79
CIA	Director, Strategic Evaluation Center Office of Strategic Research	Wash.,D.C.	12/79-2/80

(Continued)

8. (Continued)

CIA	Executive Assistant to Director of Central Intelligence	Wash.,D.C.	2/80-10/80
CIA	National Intelligence Officer for USSR/Eastern Europe	Wash.,D.C.	10/80-3/81
CIA	Director, DCI-DDCI Executive Staff	Wash.,D.C.	3/81-1/82
CIA	Director, Office of Policy and Planning	Wash.,D.C.	7/81-1/82
CIA	National Intelligence Officer for USSR/Eastern Europe	Wash.,D.C.	10/81-1/82
CIA	Deputy Director for Intelligence	Wash.,D.C.	1/82-present
CIA	Chairman, National Intelligence Council	Wash.,D.C.	9/83-present

13. QUALIFICATIONS (DESCRIBE WHY YOU BELIEVE YOU ARE QUALIFIED TO SERVE IN THE POSITION FOR WHICH YOU HAVE BEEN NOMINATED):

My qualifications to serve as Deputy Director of Central Intelligence include:

Intelligence Experience

-- I have twenty years experience in U.S. intelligence, beginning as a military intelligence officer in a Minuteman Missile Wing and culminating in my present position as CIA's Deputy Director for Intelligence and Chairman of the National Intelligence Council.

-- For a career intelligence officer, I have more experience and familiarity than most with how intelligence is used and perceived in policy agencies and by policymakers. I began this aspect of my career early with my assignment as an intelligence advisor to the U.S. SALT delegation, then my service on the National Security Council Staff under three Presidents, and finally my experience in recent years as the DCI's representative to senior interagency organizations.

-- As Deputy Director for Intelligence and Chairman of the National Intelligence Council, I developed a strategy for long range improvement of a major element of American intelligence and implemented that strategy successfully over a several year period. In January 1982, I introduced a number of measures to bring about the long range improvement of CIA analysis, including accountability (for the first time) of analysts for their record of forecasting and assessment; significantly expanded contact with outside experts and exposure of analysts to different points of view; more rigorous standards with respect to the quality of the product; greatly increased supervisory involvement in review of assessments and quality control; greater use of alternative scenarios and more candor about uncertainties; a far more cohesive program of research developed in cooperation with policymakers; and creation of a permanent mechanism to evaluate and learn from past performance. I also inherited an organization that ninety days before had undergone the most wide-ranging reorganization in a generation -- and have brought near to fruition the reorganization's objective of integrated, multi-disciplinary analysis. New centers were created to concentrate on terrorism, narcotics, insurgency, political instability and counter-intelligence analysis. CIA contacts and dialogue with policymakers were dramatically intensified. Later, in the area of National Estimates, the program included a significant expansion of the number of estimates, changes in process to highlight different points of view among agencies, efforts to make estimates more timely and relevant, and measures to increase the likelihood that senior policymakers would read estimates.

(Continued)

13. (Continued)

-- In addition, from March, 1981 until the present, I have served as a close advisor to the Director of Central Intelligence not only on analysis and estimates, but on every aspect of intelligence policy including technical collection systems, personnel, covert action, security, Congressional relations, and budgetary and resource decisions.

Intelligence Community

-- During the past five years, I have worked with the DCI to improve relations among elements of the Intelligence Community. We established, under the chairmanship of my deputy, the Intelligence Producers Council, bringing together for the first time the managers of the principal analytical elements of the Community to discuss common problems, to compare prospective research programs, and to enhance the sharing of information on a wide range of issues. In response to suggestions from the Oversight Committees, I urged that the IPC be used to share information on external contracts, both prospective and completed, to ensure that duplication was minimized and that all elements of the Community would share in the finished product. More military and other non-CIA officers, have served on the National Intelligence Council than in any time in its history. For the first time, CIA and DIA have cooperated in the production of a joint assessment of Soviet weapons production of more than 200 categories of weapons for the past ten years. This year, again for the first time, at my suggestion CIA and DIA collaborated in the preparation of joint testimony to the Joint Economic Committee of the Congress and appeared together for the first time to provide that briefing.

The National Security Council

-- Finally, I have tried to translate what I learned at the White House and in international forums into improved intelligence support for policymakers. At the National Security Council, for more than five years, I served as a staff member at the nexus of American diplomatic, military and intelligence policy, observing both the strengths and weaknesses of our policymaking process and of intelligence support to that process, and the interaction between the Executive and Legislative branches. I have now watched at close hand four Presidents and their advisers deal with innumerable foreign crises, large and small -- and the role played by intelligence in those crises. These experiences have given me not only insights to the intelligence needs of our leaders but also direct exposure to many of our foreign adversaries and friends alike that is so useful to understanding the challenges facing US intelligence and the challenges confronting our country.

41. HAVE YOU BEEN INTERVIEWED OR ASKED TO SUPPLY ANY INFORMATION AS A WITNESS OR OTHERWISE IN CONNECTION WITH ANY CONGRESSIONAL INVESTIGATION, FEDERAL OR STATE AGENCY PROCEEDING, GRAND JURY INVESTIGATION, OR CRIMINAL OR CIVIL LITIGATION IN THE PAST TEN YEARS? IF SO, PROVIDE DETAILS.

Interviewed by staff members of Pike Committee investigating US intelligence, specifically, nature of my association with CIA while on assignment to NSC Staff. (1975)

43. DESCRIBE IN YOUR OWN WORDS THE CONCEPT OF CONGRESSIONAL OVERSIGHT OF U.S. INTELLIGENCE ACTIVITIES. IN PARTICULAR, CHARACTERIZE WHAT YOU BELIEVE TO BE THE OBLIGATIONS OF THE DIRECTOR OF CENTRAL INTELLIGENCE, THE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, AND THE INTELLIGENCE COMMITTEES OF THE CONGRESS RESPECTIVELY IN THIS PROCESS.

The Congressional Oversight process evolved in the mid-1970s following several Executive branch and Congressional investigations of the intelligence community. There emerged from that period a widely held view that there was a need for much greater accountability for the activities of US intelligence both within the Executive Branch and to the Congress. Accountability, particularly with respect to adherence to the law, relevant Executive orders, guidelines, and regulations, is, in my judgment, the fundamental purpose of oversight for intelligence activities that, of necessity, must be conducted out of the public eye.

The oversight mechanism now in place recognizes that the Executive and Legislative Branches each have legitimate responsibilities and concerns that must be respected if the interests of the Nation are to be served. At the same time, the current oversight framework provides a greater measure of assurance to the public that activities which must be conducted in secrecy will be carried out responsibly and effectively.

Because the National Security Act spells out the obligations both the Director of Central Intelligence and the oversight committees, I believe it is more appropriate simply to cite it than to extemporize. Under the basic provisions of the law, the Director of Central Intelligence and, implicitly, the Deputy Director of Central Intelligence, are obligated, with certain caveats:

-- to keep the two intelligence committees "fully and currently informed of all intelligence activities";

-- to provide advance notice to the SSCI and HPSCI regarding significant intelligence activities, such as covert action operations;

-- to furnish any information or material concerning intelligence activities which is requested by either of the Committees to carry out their responsibilities.

-- to report in a timely fashion to the Intelligence Committees any illegal intelligence activity or significant intelligence failure and any corrective action that has been taken or planned; and

-- to notify the intelligence and the appropriations committees prior to certain funds transfers.

(Continued)

43. (Continued)

The Oversight Act also obligates the Intelligence Committees to establish procedures to protect from unauthorized disclosure all classified information and all information relating to intelligence sources and methods furnish to the committees. In my view, this reflects an intent that the protection of our Nation's security must be a mutual responsibility.

I believe it is appropriate, however, for intelligence agencies to go beyond the letter of the obligations cited in the law. We should deal candidly and straightforwardly with the Committees, respond as promptly as possible to their requests and attempt wherever possible to help the members of the Committees and the Staffs better understand the work we do.

By the same token, I share the view expressed in a recent publication of the Standing Committee on Law and National Security of the American Bar Association that "Congressional oversight of intelligence activities should be exercised in a spirit of wise self-restraint." This, in my view, involves restraint from unreasonably burdening the intelligence agencies with reporting requirements and requests for information and, also, in avoiding micromanagement of intelligence through the budget process.

It is important that the Committees know that there is widespread support in the Intelligence Community for the oversight process. Two-thirds of the people now serving in CIA have joined since the advent of Congressional Oversight in the mid-1970s; they know no other way of doing business and conduct themselves accordingly. There is broad recognition of the support the Committees have rendered the Intelligence Community in resources, the protection they afford against abuses, and even their ability to bring about improved efficiencies in the Community. While the oversight process may occasionally lead to difficulties in the grey area resulting from overlap between Congress' authorities and the duties of the Executive, it has been the practice of both the Executive and the Congress to try to resolve those difficulties in a spirit of comity and mutual understanding. I fully support the intent of the Oversight Act to "ensure that the legitimate concerns of both branches and the Nation as a whole are respected."

44. DEFINE IN YOUR OWN WORDS THE DUTIES OF THE POSITION TO WHICH YOU HAVE BEEN NOMINATED.

Director Casey and I have discussed my forthcoming duties, if confirmed, and intend to integrate our offices so that I will be involved in all areas of decisionmaking. Whereas Admiral Inman cited for the Committee in his confirmation hearing several areas in which the Director had asked him to take the lead, and the Director relied extensively on both Admiral Inman and John McMahon in the technical collection arena, I do not have their detailed expertise in that area and both the Director and I realize the need to involve other specialists more in decisions in this area. At the same time, he and I have consulted extensively even in my present position in all areas of intelligence policy including not just analysis and estimates but also organization, budgeting, the requirements process, decisions on technical collection systems, covert action, Congressional relations and others. I will now have a formal role in all of these areas.

The Director and I hope to focus special attention on strengthening our relationship with the Oversight Committees; improving our mechanism for decisionmaking, particularly on large investment items in a period of more constrained growth; further improving the relationship between CIA and the military; and continuing efforts to improve the linkage between assessments and collection.

AFFIDAVIT

I, Robert M. Gates, do swear that the answers I have provided to this questionnaire are, to the best of my knowledge, accurate and complete.

27 March 1986
(DATE)

Robert M Gates
(NAME)

Commonwealth of Virginia,
County of Fairfax, to wit

(NOTARY)

My Commission expires:
July [illegible]

Office of Personnel Management

Financial Disclosure Report

Form Approved

Page 1

Reporting Status *(Check Appropriate Box)*

☐ Incumbent ☒ New Entrant, Nominee, or Candidate ☐ Termination Filer

Agency Use Only:

OGE Use Only: APR - 3 1986

Date of Appointment, Candidacy, Election or Nomination *(Mo., Day, Yr.)*: 3-4-86

Termination Date *(If Applicable)* *(Month, Day, Year)*:

Reporting Individual's Name
Last Name: Gates
First Name and Middle Initial: Robert M.

Position for Which Filing
Title of Position: Deputy Director of Central Intelligence
Department or Agency *(If Applicable)*: Central Intelligence Agency

Location of Present Office
Address *(Number, Street, City, State and ZIP Code)*: Washington, D.C. 20505
Telephone No. *(Include Area Code)*: (703) 351-5151

Position(s) Held With the Federal Government During the Preceding 12 Months *(If Not Same as Above)*
Title of Position(s) and Date(s) Held: Deputy Director for Intelligence, CIA 1-4-82 to present

Presidential Nominees Subject to Senate Confirmation
Name of Congressional Committee Considering Nomination: Senate Select Committee on Intelligence
Do You Intend to Create a Qualified Diversified Trust? ☐ Yes ☒ No

Certification
I CERTIFY that the statements I have made on this form and all attached schedules are true, complete and correct to the best of my knowledge and belief.
Signature of Reporting Individual: Robert M Gates
Date *(Month, Day, Year)*: 3-17-86

Other Review
(If desired by agency)
Signature of Other Reviewer:
Date *(Month, Day, Year)*:

Agency Ethics Official's Opinion
The information contained in this report discloses no conflict of interest under applicable laws and regulations
Signature of Designated Agency Ethics Official/Reviewing Official:
Date *(Month, Day, Year)*: 03/28/86

Office of Government Ethics Use Only
Signature: David H Martin
Date *(Month, Day, Year)*: 4-7-86

Comments of Reviewing Officials *(If additional space is required, use the reverse side of this sheet)*

(Check box if comments are continued on the reverse side) ☐

Reporting Periods

Incumbents: Complete Schedules A, B, C, and Part I of D. The reporting period is the preceding calendar year except for Part II of Schedule C and Part I of Schedule D where you must also include any positions held or agreements or arrangements made from the beginning of the filing year until the date you file.

Termination Filers: Complete Schedules A, B, C, and Part I of D. The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination.

Nominees, New Entrants and Candidates for President and Vice President: Complete Schedules A, C, and D. (Candidates do not file Part II of Schedule D.)

- **Schedule A**—The reporting period for Income (BLOCK C) and Transactions Test (BLOCK D) is the preceding calendar year and the current calendar year up to the date of filing. Value assets in BLOCK B as of any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part I** (Liabilities)—The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing.
- **Schedule C, Part II** (Agreements and Arrangements)—Show any agreements or arrangements as of the date of filing.
- **Schedule D**—The reporting period is the preceding **two** calendar years and the current calendar year up to the date of filing.

SF 278 (Rev. 1/85)
5 CFR Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-0001

Reporting Individual's Name		Page Number	Schedule
Gates, Robert M.	**Assets and Income**	2	A

All Filers: In BLOCK A report (a) the identity of each asset held for the production of income at the close of the reporting period which had a fair market value exceeding $1000 and (b) any other asset or source of income which generated over $100 in income during the reporting period. This includes but is not limited to employers, stocks, bonds, tax shelters, bank accounts, real property, mutual funds, pensions, IRA assets, assets of certain trusts, commodities futures, personal businesses and partnership interests. **Exclude** your personal residence unless you rent it out. See instructions for rules on bank accounts and complex holdings.

All Filers: In BLOCK B report the value of each asset listed in BLOCK A which had a fair market value exceeding $1000 at the close of the reporting period.

All Filers: In BLOCK C report the type and amount of income exceeding $100 or more received from the assets and other sources of income listed in BLOCK A. You must report the **actual amount** of any income not of a type specifically noted below. You need not report the actual amount of your spouse's earned income, only the source in BLOCK A. You may not check "qualified trust" unless you have a blind trust which has been specifically approved by the Office of Government Ethics. If you, your spouse or dependent child are the beneficiary of a trust which no one of you created and has no knowledge of the assets, refer to the instructions to see if it qualifies as an "excepted trust." If "none" (or less than $101) is checked under Category of Amount of Income, no other entries need be made in BLOCK C for that item.

Incumbents and Termination Filers only: In BLOCK D, for any real property, stocks, bonds, commodities futures and other securities listed in BLOCK A, did you purchase, sell, or exchange the item during the reporting period for a value that exceeds $1000?

	BLOCK A Assets & Income Sources	**BLOCK B** Valuation of Assets							**BLOCK C** Income																	**BLOCK D** Transactions Test	
	Identify each asset and income source of yours, your spouse(S) and your dependent child (DC) NONE ☐	Category of Value (X)							Type of Income (X)							Category of Amount of Income (X)										If yes, complete Schd. B Part I for those assets including those sold for a loss	
S or DC		None (or less than $1001)	$1,001-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	$100,001-$250,000	Over $250,000	Dividends	Rent	Interest	Capital Gains	Excepted Trust	Qualified Trust	Other (Specify Type)	None (or less than $101)	$101-$1,000	$1,001-$2,500	$2,501-$5,000	$5,001-$15,000	$15,001-$50,000	$50,001-$100,000	Over $100,000	Actual Amount Only if "Other" Specified	Date (Mo., Day, Yr.) Only if Honoraria	YES	NO
Examples	X Y Z Common				x				x									x								x	
	Doe Jones & Smith, Hometown, USA			x											ptnrshp income									$50,000			
1 S	Spouse employment																										
2	(N.Virginia Community College)																										
3	IRA (Bank Deposits)			X													X										
4	(Sovran Bank)																										
5 S	IRA (Bank Deposits)			X													X										
6	(Sovran Bank)																										
7 J	Savings Account			X													X										
8	(N.W. Federal Credit Union)																										
9																											
10																											

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U.S. Office of Personnel Management

[illegible]

Reporting Individual's Name

Gates, Robert M.

Page Number	3	Schedule B

Part I
Transactions

Incumbents and Termination Filers only: Report any purchase, sale or exchange by you, your spouse or dependent child during the reporting period of any real property, stocks, bonds, commodities futures, and other securities when the amount of the transaction exceeded $1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction between you, your spouse or your dependent child.

NONE ☒

S or DC		Identification of Assets	Type of Transaction (X)				Amount of Transaction (X)					
			Purchase	Sale	Exchange	Date (Mo., Day, Yr.)	$1,001 - $5,000	$5,001 - $15,000	$15,001 - $50,000	$50,001 - $100,000	$100,001 - $250,000	Over $250,000
	Example	X Y Z Common	x			2/1/83			x			
1												
2												
3												
4												
5												
6												

Part II
Gifts, Reimbursements and Travel Expenses

Incumbents and Termination Filers only:
Report the source, a brief description and the value of: (1) in-kind gifts of transportation, lodging, food or entertainment received from one source totaling $250 or more unless received as personal hospitality at the donor's personal or family residence; (2) other gifts received from one source totaling $100 or more in value; and (3) cash reimbursements of $250 or more received from one source. Exclude gifts and reimbursements received by your spouse that were given totally independent of their relationship to you. Exclude transportation, lodging, food and reimbursements from the U.S. Government. For (1) and (2), **exclude** gifts from relatives and **exclude** gifts of $35 or less when aggregating them for the total from one source. See instructions for further exclusions.

NONE ☒

S		Source (Name and Address)	Brief Description	Value
	Example	Nat'l Assn. of Rock Collectors, NY, NY	Airline ticket, hotel room & meals incident to national conference 6/15/83	$500
		Nat'l Assn. of Rock Collectors, NY, NY	Leather briefcase for retiring president	$125
1				
2				
3				
4				
5				
6				

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SF 278 (Rev. [illegible])
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3209-[illegible]

Reporting Individual's Name
Gates, Robert M.

Page Number	4	Schedule C

Part I
Liabilities

All Filers: Report liabilities over $10,000 owed to any one creditor at any time during the reporting period by you, your spouse or dependent child. Check the highest amount owed during the reporting period. **Exclude** a mortgage on your personal residence unless it is rented out, loans secured by automobiles, household furniture or appliances, and liabilities owed to relatives. See instructions for revolving charge accounts.

NONE ☐

	Creditor (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (X)				
						$10,001 to $15,000	$15,001 to $50,000	$50,001 to $100,000	$100,001 to $250,000	Over $250,000
S or DC Examples	First District Bank, Washington, DC	Mortgage on rental property, Rehoboth Beach, Delaware	1981	13%	25 yrs			X		
	John Jones, 123 J St., Washington, DC	Promissory note	1979	10%	on demand	X				
1	Manufacturers Hanover Financial Services	2nd Trust - Home Improvement Loan	1983	13%	12		X			
2										
3										
4										
5										
6										

Part II
Agreements Or Arrangements

All Filers: Report your agreements or arrangements for future employment, leaves of absence, continuation of payment by a former employer (including severance payments), or continuing participation in an employee benefit plan. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

NONE ☒

	Status and Terms of any Agreement or Arrangement	Parties	Date (Mo., Yr.)
Example	Pursuant to partnership agreement, will receive capital account & partnership share calculated on service performed through 11/83	Doe Jones & Smith, Home town, USA	7/75 ptnrship agmnt

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SF 278 (Rev. [illegible])
FPM Chapter 734
U.S. Office of Personnel Management

Form Approved
OMB No. 3206 [illegible]

Reporting Individual's Name	Gates, Robert M.

Page Number	5	Schedule D

Part I
Positions Held Outside U.S. Government

All Filers: Report any positions held during the applicable reporting period. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee or consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. **Exclude** positions with religious, social, fraternal, or political entities or those solely of an honorary nature.

NONE ☒

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples	Nat'l Assn. of Rock Collectors, NY, NY	Non-profit education	President	6/82	6/83
	Doe Jones & Smith, Hometown, USA	Law firm	Partner	7/75	11/83

Part II
Compensation In Excess Of $5000
Paid by One Source

Nominees and New Entrants only: Report sources of such compensation received by you or your business affiliation for services directly provided by you during the reporting period. This includes the names of clients and customers of any corporation, firm, partnership or other business enterprise, or any nonprofit organization, when you directly provided the services generating a fee or payment of more than $5,000. You need not report the U.S. Government as a source.

NONE ☒

	Source (Name and Address)	Brief Description of Duties
Examples	Doe Jones & Smith, Hometown, USA	Legal services
	Metro University (client of Doe Jones & Smith) Hometown, USA	Legal services in connection with university construction

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278-108

United States of America
**Office of
Government Ethics**

Office of Personnel Management
P O Box 14108
Washington, D C 20044

APR 8 1985

Honorable David Durenberger
Chairman, Select Committee
on Intelligence
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

In accordance with the Ethics in Government Act of 1978, I enclose a copy of the financial disclosure report filed by Robert M. Gates, who has been nominated by President Reagan for the position of Deputy Director, Central Intelligence Agency.

We have reviewed the report and have also obtained advice from the Central Intelligence Agency concerning any possible conflict in light of the Agency's functions and the nominee's proposed duties. Based thereon, we believe that Mr. Gates is in compliance with applicable laws and regulations governing conflicts of interest.

Sincerely,

David H. Martin
Director

Enclosure

[illegible]

[illegible]

U.S. HOUSE OF REPRESENTATIVES
PERMANENT SELECT COMMITTEE
ON INTELLIGENCE
WASHINGTON, DC 20515

April 10, 1986

Honorable Dave Durenberger
Chairman
Select Committee on Intelligence
211 Hart Senate Office Building
Washington, D. C. 20510

Dear Mr. Chairman:

I write concerning the nomination of Robert Gates to serve as Deputy Director of Central Intelligence.

Bob's service as Deputy Director for Intelligence has frequently brought him to the attention of the Committee, both as a witness and as the manager of the Agency's analytic capability. I believe that Bob has distinguished himself in both roles. In particular, the analysis produced by the CIA during his tenure as Deputy Director for Intelligence has been well focused and reflective of dissenting views. The Committee has cited these aspects of intelligence products as important improvements.

On the basis of what the Committee knows of Bob's work and excellent qualifications, I fully support him for the position of Deputy Director of Central Intelligence. I believe I speak for the Committee in warmly endorsing the President's choice of Bob to serve as Bill Casey's deputy.

With best wishes, I am

Sincerely yours,

Lee H. Hamilton
Chairman

At this point, Bob, I would ask you to stand and according to the committee rules I will swear you for the purpose of your testimony.

Do you, Robert M. Gates, solemnly swear that the testimony and the answers to questions that you are about to give will be truthful.

Mr. GATES. I do.

The CHAIRMAN. All right. Thank you. Why don't you proceed, with your opening statement.

STATEMENT OF ROBERT M. GATES, NOMINEE TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE

Mr. GATES. I welcome the opportunity to appear before you today on my nomination as Deputy Director of Central Intelligence.

I am honored by the President's decision to nominate me. I am grateful to Director Casey for his confidence in me, the opportunities he has given me and his unwavering support. I am honored to follow in the footsteps of two respected colleagues and friends, Adm. Bob Inman and John McMahon, both of whom were esteemed for their sound judgment, managerial skill, and independence of view. I cannot think of two finer role models for a Deputy Director of Central Intelligence. And I certainly appreciate Senator Warner's introduction.

CONGRESSIONAL OVERSIGHT

I believe it would be useful and appropriate for me to speak at the outset to the oversight process. I have addressed this in writing in response to a question from the committee, but believe it worthwhile to summarize my views.

Every so often, the assertion is made that U.S. intelligence, and CIA in particular, deeply dislikes oversight, resists keeping the committees informed, carries out its reporting responsibilities grudgingly and minimally, and would like to return to the so-called good old days before oversight.

This public hearing affords me the opportunity to say that these allegations are wrong. The concept and principles of congressional oversight of intelligence are fully accepted within the American intelligence community. Nearly two-thirds of those now serving in CIA began their careers after 1976, when oversight as we know it began. They know no other way of doing business than within the framework of congressional oversight. At the same time, we realize that, almost by definition, oversight involves skepticism, criticism, and suggestions for improvement. And, obviously, nobody likes to be on the receiving end of criticism. But, whatever frictions result are usually transitory and do not affect the basic process.

More important, the community's acceptance of oversight is based in substantial measure on recognition of the benefits to us of the process. We remember, for example, that the rebuilding of American intelligence began in the late 1970's in this committee. Subsequently, both committees have strongly supported our resource needs. You have on occasion given us—defended us in public against unjustified accusations. You have been instrumental in initiating and sponsoring legislation important to our people and our work, including the Identities Protection Act and the CIA Information Act. Oversight has created an environment that fosters adherence to the rules at all levels and discourages corner cutting or abuses. The committees have contributed to improving the quality of our work and to efficiency. And, finally, the congressional committees and executive oversight organizations such as the Intelligence Oversight Board and the President's Foreign Intelligence Advisory Board should give Americans confidence that their intelligence service is accountable, carries out its activities according to the law and that we are guided by standards and values acceptable to them.

The relationship between the congressional oversight committees and the intelligence community is unique in the world—the first attempt ever to conduct secret intelligence operations accountable to the people and responsible to the law and to the Congress. While the oversight process may occasionally lead to frictions in the gray area resulting from the overlap between congressional authorities and the duties of the executive, it has been the practice of both branches of Government for 10 years now to try to resolve such difficulties in a spirit of comity and mutual understanding. This unique relationship between us depends on mutual trust, candor, and respect and I assure you I intend to conduct myself with this in mind.

INTELLIGENCE IMPROVEMENT MEASURES

Twenty years have elapsed since I began my intelligence career as an Air Force intelligence officer with a Minuteman missile wing. You have before you the details of my career which I will not repeat. There are three features, however, perhaps worth noting. First, I've always believed that no matter how good U.S. intelligence is—and it is in my view, quite good—it can always be improved. I somewhat presumptuously first expressed dissatisfaction with and suggested improvements in our analytical work on the Soviet Union in an article published a short time after I joined the Agency. Throughout my career, culminating in my present position, I have endeavored to improve the quality of our work—its substance, relevance and responsiveness to our leaders' needs. Because intelligence is secret and our Agency is closed to public scrutiny, I believe we must take the initiative to reach out to policymakers, the Congress, the private sector, and critics and experts of all stripes for help in improving the substance of our work, our efficiency and our effectiveness.

Second, I have spent a significant part of my career trying to build a dialog between those of us in intelligence and the policymakers we serve. Intelligence must be relevant, timely, and responsive to the real requirements of the policymaker if it is to be useful and effective. And relevance can be insured only by a close, day to day, working relationship. At the same time, intelligence must remain independent. Our very existence depends upon a reputation for integrity and for objectivity. Splendidly isolated, our independence is guaranteed but so is our irrelvance. While daily engagement with the policymaker requires constant vigilance and sound judgment to maintain our objectivity, this is the arena where we must operate. This constant contact is imperative.

Third, my years on the National Security Council staff opened my eyes to the enormous cost imposed on the effectiveness of Government—including intelligence—by bureaucratic parochialism—turf battles. As Deputy Director for Intelligence and Chairman of the National Intelligence Council, I have worked to break down institutional barriers within CIA and within the intelligence community. Only by cooperation and by combining the strengths of each organization can we do our work effectively. The present harmony that characterizes the American intelligence community is due in significant measure to Director Casey's leadership in reducing these barriers, and I look forward to helping him make further progress in this area.

My career has been spent primarily on the overt side of CIA and, specifically, at that point where the product of our vast collection apparatus emerges in finished form to help warn and inform policymakers and to help them understand better a complex world. The pace of change is accelerating; challenges to our security and well being are multiplying; opportunities to promote our democratic values and to help others share our economic prosperity are increasing. The contribution of intelligence in discerning and explaining these developments is becoming more vital.

FUTURE INTELLIGENCE DEMANDS

We are entering an era when demands on the intelligence community are reaching beyond traditional areas into new worlds including terrorism, narcotics, technology transfer, the proliferation of chemical and biological weapons, and many other problems. We must find the resources to support these new efforts while continuing to place major emphasis on the collection and analysis of countries hostile to the United States.

Thanks to the rebuilding of the last several years and a policy community willing to work with us, the American intelligence community in my view has never been in finer shape. Good intelligence is a wise and necessary investment. It can, and has, saved billions of dollars for the Department of Defense through information we acquire on Soviet weapons and military plans. Even more important, in analyzing, penetrating, and countering the shadowy worlds of terrorism, narcotics, subversion, and other problems, we save lives and help protect the Nation. But this investment in intelligence cannot be turned on and off like a faucet. It takes years to train a case officer or a good analyst, and often a decade or more to build a new technical collection system. Quality intelligence requires sustained support. We have come a long way back in recent years, but the challenges are multiplying and a continuing investment is required. Here, the understanding and support of the President and of the oversight committees have been invaluable.

In closing, a rare public hearing such as this requires acknowledgement of the brave men and women of American intelligence, military and civilian, who live and work in dangerous and inhospitable places overseas and under enormous pressures here at home. With courage and dedication, they endure personal sacrifice, incredibly long hours, a cloak of secrecy about what they do that excludes even their families, a lack of privacy, and yet anonymity. As the President said to some of them in 1984, "the work you do each day is essential to the survival and to the spread of human freedom. You remain the eyes and ears of the free world. You are the tripwire." The Nation can be proud of its intelligence corps and, if confirmed, I would be proud to serve with them as Deputy Director of Central Intelligence.

Mr. Chairman, this concludes my statement. While I'm somewhat unaccustomed to a public forum such as this, I would be pleased to answer any questions that you or the members of the committee may wish to ask.

The CHAIRMAN. I know from your record of public education and public information that you have taken advantage of opportunities to educate the public on the role of intelligence, and I think that this effort will continue to be of greater value in your role as Deputy Director.

I wish to confirm your statement on the quality of your predecessors in this job; John McMahon and Bobby Inman. One of the things they understood is that critique of the oversight process is valuable from two perspectives. It isn't just congressional oversight critiquing the intelligence community, but it is on occasion the community critiquing the process of oversight. And I don't think there is anyone here that objects to seeing that process continue, so long as it is accomplished in the spirit that you described. Your predecessors, I think, did it very well.

I would, by way of additional advice, suggest that you continue to emulate them in that regard.

With respect to the process of intelligence, let me ask you a couple of questions taken from your answers to questions in the background and financial disclosure statement, about congressional oversight of the community. At one point you say:

> Accountability, particularly with respect to the law, relevant Executive orders. guidelines, and regulations is, in my view, the fundamental purpose for oversight of intelligence activities that, of necessity must be conducted out of the public eye.

Do I read that statement to mean that you believe there are limits on oversight, and if so, how would you define those limits?

Mr. GATES. No, sir; I don't believe there are limits in the areas that oversight should extend to. I stated that accountability was the fundamental purposes. It is by no means the exclusive or the only purpose. The deep involvement of the committees in the budget process itself is testimony to the wide-ranging involvement of the committees in both resources allocation and in effective management in the Agency.

AGENCY'S RESPONSIBILITY TO CONGRESS

Additionally, the amount of finished intelligence that we provide to both of the committees implicitly recognizes the importance of the committees in judging the quality and effectiveness of the finished intelligence product as well. So I see the involvement of the committees as very broad. I believe however that my reading of the history of the oversight process suggests that one of the primary motives in establishing it was the need for accountability.

The CHAIRMAN. Related to that, you endorse the concept of self-restraint on the part of the congressional oversight committees, and you say, in part:

> This, in my view, involves restraint from unreasonably burdening the inelligence agencies with reporting requirements and requests for information, and also, in avoiding micromanagement of intelligence through the budget process.

What do you consider to be examples of unreasonably burdening the intelligence agencies?

Mr. GATES. Mr. Chairman, my answer was in response to the question which had to do with my perceptions of the obligations of the DCI and DDCI, as well as the oversight committees. I made the statement more as a matter of general principle than as a matter of complaint.

The CIA alone last year conducted over or carried out more than 500 briefings of congressional staffs. That does not account for the many formal hearings that were held or the many hundreds of written questions.

So I would simply say we are willing to respond to any questions that the committee has. I think that while I was Deputy Director for Intelligence, I don't believe there was ever a question that we did not answer. I would just ask that the committee be mindful of the resources involved in this as it carries out its work.

The CHAIRMAN. In your view, do Members of Congress and the oversight committees in particular, qualify as policymaking consumers of intelligence?

POLICYMAKERS CONSUMERS OF INTELLIGENCE

Mr. GATES. Well, let me first define what I believe the role of the policymaker is with respect to intelligence. It seems to me that intelligence is responsible for collecting and analyzing information and arraying it for the policymaker. The role of the policymaker is to draw on that information and on other sources to develop options for policy, to make recommendations for policy, and then choices and decisions about policy, to advocate that policy, and then finaly to implement that policy.

The only area where I see any real actual or potential overlap in those between intelligence and policymaking is in the arena of developing options. And in some of the areas that we work in, for example arms control, it is important that the administration have our help—that any administration have our help in figuring out what kinds of arms control options are viable in the context of our abilities to monitor.

Now, that said, it seems to me that it is obvious that the Congress frequently has a role in setting policy. Sometimes it does so directly through passing laws. Sometimes it does so in more indirect ways. But the key distinction for me is found primarily in the question of the implementation of policy, and to a certain extent also in decisions on policy, but primarily implementation. So I think it is a separation of powers issue. I regard the Congress as a legitimate consumer and user of intelligence. We have provided an enormous amount of intelligence information to the Congress—not just the oversight committees, but to the Foreign Affairs Committees, the Armed Services Committees, the Appropriations Committees and so on. So I see you as certainly as legitimate consumer of intelligence in the parlance that we use in our business. However, I would regard the policymakers, as we usually refer to them, as those that we work with in the executive branch.

LEAKS

The **Chairman**. The vice chairman mentioned the concern that we have, and you know I have articulated regarding the seriousness of leaks in recent years. One of the more serious leaks appears to have taken place recently in connection with intelligence on Libyan reaction to United States naval maneuvers in the Gulf of Sidra. What is your opinion about what can be done to prevent these damaging disclosures of intelligence sources and methods by policy officials in the executive branch?

Mr. **Gates**. Well, I think that the problem of leaks is one of the most serious that we face in the intelligence community and also in the Government. The Director spoke to this before the newspaper editors yesterday. Among other things, it makes it difficult for us to maintain discipline. It is very difficult for us to read about the disclosure of—or to read the disclosure of sensitive sources and methods in the morning newspaper, and then turn around and have to fire some youngster because he breached the discipline that we impose, and perhaps told his parents too much about what he does for us.

I think that the problem is a general erosion of discipline throughout the Government. I think that there probably is too much finger-pointing about who is responsible and too little consideration about needs to be done. At a minimum, it seems to me, as far more aggressive investigative process is required. I think that perhaps more strict enforcement of our—in terms of intelligence information, in terms of compartmentation is probably required.

But basically what we need somehow to do is to educate people throughout the Government, in both branches, to the sensitivity and the vulnerability of our sources and the damage that they do when they release something without authorization or without due consideration.

So I think that the main thing that we need to turn our attention to is what kind of an effective investigative process we can develop.

The **Chairman**. I am going to defer to the Vice Chair, but certainly would endorse that. I have also been making the point that you alluded to, and that the best way to stop this is by example. That to the degree that people either on the congressional side or the administrative side, are able to permit selective disclosure or selective discussion, it sets environment in which others feel free to do the same thing as long as they can justify their actions by elevating their cause to a comparable level.

Pat.

Senator **Leahy**. Thank you, Dave.

Dr. Gates, when your predecessor John McMahon was before the committee on his nomination on May 26, 1982, I asked him a question and stated at that time that I would ask the same question of anybody else who would come before this committee on a nomination to sensitive positions of this nature. In fact, a question I asked, I also intend to ask of nominees before other committees I serve on. I am going to read back from the transcript so I can make sure I have it exactly the same way that I asked Mr. McMahon. I asked for his assurance that he would see to it that the record were corrected if ever inaccurate or incomplete information were given to the committee by anyone in a position of authority in the intelligence community.

INACCURATE OR INCOMPLETE INFORMATION

And here's what I asked. I asked Mr. McMahon, "If you were aware that others in the CIA, whether the Director of the CIA or anybody else, had given us misinformation, either intentionally or negligently, on matters that come within our jurisdiction, would you correct the testimony that had been given to us?" And he answered, "Yes, sir, I would either correct it or cause it to be corrected by those who gave the erroneous information." And I asked, "Whether that was given by somebody over or under you?" And he answered, "I can't imagine anyone over me doing that. I can't imagine anyone doing that purposely, but I would certainly correct the record." He added, "I don't think an oversight committee can expect anything else."

I'll say now as I said then, that I don't mean to imply that I anticipate any official, either over or under you, is going to do that, that is, provide incomplete or inaccurate information. And I want to add now as I did then that I would expect the same assurances from a nominee to any position of trust such as yours, including outside the intelligence world. So it is one of those boilerplate questions that a lot of people will hear from me.

Such an assurance, though, is particularly important on intelligence. Congress and the pubic must know that the honesty and integrity of intelligence officials safeguards them from being misled.

So I am going to ask the same question I asked Mr. McMahon. Dr. Gates, if you became aware that others in the CIA, whether the Director or anybody else, had given us misinformation, either intentionally or negligently, on matters that come within our jurisdiction, would you correct the testimony that had been given to us?

Mr. **Gates**. You have my assurance that I would do so.

Senator **Leahy**. Dr. Gates, I would not expect anything less from you, nor do I think any member of this Committee would.

Dr. Gates, in recent months it has seemed that the administration has more and more turned to intelligence programs as a direct instrument of foreign policy. There has been much said about a new Reagan doctrine of increasingly open and direct confrontation with the Soviet Union and its allies and friends around the world. There has also been, in the press, a great deal of discussion of providing so-called covert military assistance to various insurgent groups around the world which the administration views as freedom fighters opposing Communist regimes.

Now, you are identified as an honest and capable individual who has improved the quality of intelligence. You are also identified as an internationalist who is supportive of the view that regional conflicts reflect the global competition between the United States and the Soviet Union. What are your views on the appropriateness of using the CIA as a direct instrument of foreign policy in regional conflicts? I realize we are speaking in the abstract.

FOREIGN POLICY IN REGIONAL CONFLICTS

Mr. **Gates**. Senator, I believe that we face a very complicated international environment. We have resistance movements that are fighting Soviet aggression in their country. We have groups that are resisting the imposition of Marxist-Leninist regimes supported by the Soveit Union in Cuba and Vietnam in their countries. We have a very active Soviet covert action program aimed at political destabilization that we estimate broadly is costing them on the order of $4 billion a year. We are confronting problems in the world of narcotics, terrorism, proliferation of chemical and biological weapons, and a host of other problems.

I think that the experience of the last 10 years would suggest that in many of these cases, diplomacy alone is not an effective instrument. I think that experience also would show that in many of these instances, overt military action by the United States is either not appropriate, or would not be supported by the American people or the Congress.

At that point, the United States has two options. It can develop other instruments by which to carry out its policy and to try and protect its interests, or it can turn and walk away. One of those other instruments available to the United States is special activities or covert action. And I believe that covert action is an appropriate instrument of foreign policy, as long as it is undertaken in the context of a larger policy.

I believe this administration has made a significant step forward, both in foreign policy and in the conduct of the oversight process, by virtue of the appearance here of senior policy officials when a covert action is presented to the committees, to explain why that policy instrument was chosen and how it fits into the broader context of administration foreign policy.

COVERT ACTION POLICY

I think that it is important to understand—there is a frequent misunderstanding, I think, in the public that somehow covert action is some kind of independent CIA foreign policy. That is not the case at all. The decision to undertake covert action is a policy decision. It is a decision made by the National Security Council, and CIA is the instrument by which it is implemented. And I believe that when that decision is made, that CIA has the obligation to implement it as effectively and as efficiently as possible.

Senator **Leahy**. Do you see a danger, though, to the credibility or the reputation of the CIA when it is involved in increasingly open involvements around the world—when they are discussed at everything from a Presidential news conference to widely publicized debates within the administration, and when the CIA is continually being referred to as the instrument of that foreign policy. Do you see any potential problems resulting for the reputation or to the effectiveness of the CIA?

Mr. **Gates**. Well, I think that our recruiters on various university campuses would suggest that we do see some problems resulting from that. But more broadly, let me talk for a moment leading up to the answer to that question, about large scale paramilitary covert actions, which are primarily the ones that you are discussing, I think.

It has always—not just recently, but always—been difficult to keep information or the fact of American involvement in a large scale paramilitary action secret. It seems to me that we encounter a certain gray area here in which open action is deemed not appropriate, and where despite rumors and a lot of information and a lot of detail about presumed actions are known in the public forums, you still do not have public confirmation or official confirmation or acknowledgement of American government involvement in a particular activity. As small as that fig leaf may be, it still is sufficient to allow third parties who have parallel interests to cooperate with us.

Now, that said, it seems to me also important that we not allow a handful of people who lack discipline wherever they are located, or maybe a larger number, to paralyze us from action by talking to the press about these things.

Now, in terms of the consequences for the Agency, there is no question but that we take some hits in the public media and in terms of people's—perhaps some people's perceptions of us because of our involvement in these activities. I think, though, that there has been a trend over the last year or so toward focusing the debate on these issues more on the policy issues and less on CIA. And I think that to the degree that we do a better job of advising and keeping the committees fully and currently informed on these things so that there are not complaints about our unwillingness to share information or our giving information grudgingly, we will help to focus this discussion where it ought to be, and that is on the policy.

Senator **Leahy**. Thank you, Dr. Gates.

The **Chairman**. Chic Hecht.

Senator **Hecht**. Thank you, Mr. Chairman. Nice to see you, Bob. On your statement, I agree with many parts; I thought it was very well done. I agree that—in my opinion, our intelligence has never been better in the history of America than what we have right now. And when you mentioned the brave men and women of American intelligence enduring personal sacrifice, incredibly long hours, and a cloak of secrecy, I can certainly attest to that. I have been doing a lot of traveling the last year, seeing these brave men and women in very sensitive spots. I have to tell you, I am very, very impressed with the caliber, I am impressed with the esprit de corps of all of them. They are dedicated Americans and they are doing their job. And I am glad that on the basis of what you have said, I assume you are going to continue on the same type of program which has brought us up to this. And I cannot ask you that question, because the next question would be, if you are going to change, what are you going to change, and I wouldn't want that in a public forum. But at a later time I will get into that, but I am glad you are going to continue. It's nice to have you aboard.

Mr. **Gates**. Thank you, sir.

The CHAIRMAN. I would like to ask you at some point that we waive the 48-hour rule that we have in the committee, and vote this afternoon on this nomination. I do that because, as I have indicated earlier, the Director informs me he can't leave the country until he has a deputy—without a deputy in place.

Senator HECHT. Mr. Chairman, since we are here, is it possible to give you a proxy, because I will have to leave.

The CHAIRMAN. We need eight people physically present to take the vote.

Senator HECHT. Can you pick a certain time certain and we'll come back.

The CHAIRMAN. Let's pick a time, because we have some absent members that are in mark-up and in committees that would be willing to come. Three thirty? All right.

Bill Cohen.

Senator COHEN. Mr. Gates, I agree with your statement that covert action is sometimes necessary, and that it does in fact involve policy decisions. The difficulty with it is that covert actions also bypass the normal congressional process. You don't go through the hearings before the Foreign Relations Committee; you don't go through the normal appropriations process, as such, because of the secret nature of the covert actions. And when you do get into the gray area, I think you indicated you can't allow a small handful of people to paralyze us.

I think what has been most frustrating for a number of us has been the lack of definition of what a covert action entails, from the black aspect of it to the white. The gray area becomes very disconcerting. For example, if you have a covert action program to assist a foreign country, you assume that that is for the purpose of maintaining deniability, providing that fig leaf to cover ourselves or third countries who might be of assistance. But it becomes rather difficult when the President of the United States, for example, proclaims in front of the White House press corps, yes, we're sending you aid. It makes it very difficult to even hold that small fig leaf up at that point for this particular committee, and it undercuts, I suppose, the ability of the members of this committee to then deal with this effectively on the floor. We have a Presidential declaration of assistance, yet we have a covert action program. And so it is not just a small handful of people. This goes to the very highest levels. When it suits our purpose politically, we declare our support. And yet we still hide it over here under a covert section which by-passes the normal congressional process.

I would only suggest that we have to have some rather more definitive explanation that will satisfy the committee and the Congress about what a covert action should entail. Otherwise you are going to continue to have the kind of policy discussions spill out beyond this committee onto the Senate and House floors, with members engaging in full debate over an issue because it has been on the front pages of the press—not because of a leak by some low level staff member at the Agency or indeed even here in Congress, but one from the highest levels of our own executive branch. That to me is one of the key difficulties we have had in recent years dealing with covert actions. They are policy decisions which are on the front pages not by leaks, but by public proclamations by our highest leaders. I think something has to be done to at least set some ground rules about how those are handled. That is just from a personal point of view.

RIGHT QUESTION, ESPIONAGE, INTELLIGENCE STRUCTURE

Second, you indicated, or I should go back—there is a fictional character I am familiar with who once said, if you don't ask the right question, you don't get the right answer. And if you ask the right question, you only get half the right answer. Now, I would hope that that would remain within the realm of fiction, but I can tell you that in my own experience, there have been one or two occasions in which questions have been asked of various witnesses, and in which an answer has been given, only to find out through some story in a national magazine that the answer wasn't complete. And then the response given from that witness at the following hearing was, well, you didn't ask the right question, you weren't that specific. This has occurred to the point where one would have to spend all of his or her time with great specificity asking 200 questions to get at that specific area.

So I think that oversight, if it is going to be effective and it is going to be conducted in a spirit of comity and cooperation, has to be carried out with a sense of a full answer and a sense of the spirit as well as the letter of the law itself. That, I would say, for the most part, has been the case not always, but for the most part.

A second point I would like to make is that you have stated you can save billions of dollars from our Defense Department by monitoring Soviet military equipment and testing and so forth. We can also lose billions of dollars through espionage. During the past year, we have had three current or former CIA employees charged with espionage: Edward Lee Howard; Larry Wu-Tai Chin; Sharon Scranage. And we've had some former intelligence people such as Ronald Pelton, NSA; Jonathan Pollard, Navy Intelligence; Richard Miller, FBI.

What do you see as the most significant policy implications of these cases, and what do you intend to do about it as the Deputy Director?

Mr. GATES. I think that—let me answer the question in two levels. First of all, the general implications, and second, some specific lessons.

In general terms I think first of all that the problems that we've had in this area certainly are a strong argument in favor of continuing and strengthening the compartmentation within the Government, particularly within the intelligence community. Some of these people gave away a good deal of information. There is no doubt that without compartmentation, they would have given away a great deal more.

A second lesson it seems to me is that all agencies, including CIA, need to give particular attention to their reinvestigation programs. We have one, we have a formal one. The resources that we have available for it are limited, but over the last 2 or 3 years, we have been expanding them. I think that all agencies need to do that.

I think a third consideration is the need for probably tighter security measures throughout the Government and throughout the intelligence community. There are some fairly significant differences in the standards of different agencies in terms of security clearances, what is required for a security clearance at different levels, and so on. And I think greater cooperation and standardization to the degree possible in that area is important.

I think we have learned some specific lessons from these cases as well. From one case, we have learned the need to have different organizations within the same agency, like CIA, sharing information with each other. We have learned something about giving people very sensitive information before giving them a repolygraph.

I think one thing we have also learned, however, is that we are dealing with human beings. There are people who are going to change once they get into the intelligence community. And it is only through the reinvestigation program that we can identify that these people have become vulnerable or that they have begun having some association with a hostile intelligence service. And I think it also speaks to the importance again of compartmentation.

But no one could sit here and tell you that we can devise a set of procedures that will prevent one person or another out of the very large number of people working in intelligence from being recruited by somebody else. We have to have a set of security measures and counterintelligence measures in place that limit the damage and enable us to identify such people as quickly as possible. And I think that there are countermeasures and other things that we can do that can improve that process.

Senator **Cohen**. Mr. Leo Cherne, before the Defense Strategy Forum, gave a speech recently, and he asked an important question. I think you have also addressed this. I would like just to quote his statement for you. He said:

> Can our intelligence be as good as it must be as long as our knowledge of foreign languages and cultures remains as poor as it is, especially when that handicap is further compounded by the disinvolvement of our centers of learning, research, science and technology, some of whom shun "contaminating" contact with the world of intelligence.

I believe you also addressed this point before the John F. Kennedy School of Government at Harvard. I have two quotes here that I will read to you and ask you to elaborate on.

The first one is that:

> Preserving the liberty of this Nation is fundamental to and prerequisite for the preservation of academic freedom; the university community cannot prosper and protect freedom of inquiry oblivious to the fortunes of the Nation.

INTELLIGENCE, ACADEME

And the second quote was:

> In defending the Nation and our liberties, the Federal Government needs to have recourse to the best minds in the country, including those in the academic community. Tensions inevitably accompany the relationship between defense, intelligence, academe, but mutual need and benefit require reconciliation or elimination of such tensions.

Would you elaborate briefly on what the relationship has been with the groves of academe, as such, in recent years, and what you foresee for the future?

Mr. GATES. Well, in recent years I think that the relationship has improved significantly from what was probably the nadir in the mid-1970's when many university professors and scholars would refuse even to talk to us. When I was at the Agency in early 1977, I did a survey of about 25 schools in the Midwest and the West, to see what kind of cooperation we could elicit on Soviet affairs, what kind of work was going on. And there was not a single professor that I encountered who was willing to have any kind of contractual relationship with us, and many refused to have any kind of a formal relationship, including even a consulting relationship.

Our experience in the last 2 or 3 years has been almost the opposite. It is now a rarity to find a scholar who is not willing to talk to us, who is not willing to share ideas with us, and who is not willing to attend one of our conferences or talk to our analysts and so on.

I would hope that this would continue and expand. It seems to me very important, and not just in the academic community but in the business community, were our relationships have been more steady and much better over a long period of time, think tanks, and various other places where there are people who are thinking about international problems. I would like to see these relationships expand, and I think frankly, given the proliferation of the subjects that we are having to address, that it is virtually imperative that it expand.

The CHAIRMAN. One clarifying question. I thought when you were responding to the vice chairman's questions relative to covert action that you alluded to some renewed receptivity of CIA within academia in the last couple of years. Does this reflect support of the use of covert action.

Mr. GATES. There have been some demonstrations against our recruiters. What is perhaps different from an earlier period is that the demonstrations have often had to be moved out of the way for the lines of students who were lining up to apply.

The CHAIRMAN. Have you not noticed an adverse impact of those demonstrations in any way on CIA access to the resources of the universities or on the faculty of universities and their willingness to be responsive to the community's needs?

Mr. GATES. No, sir; we haven't.

The CHAIRMAN. Mitch McConnell.

Senator MCCONNELL. On several occasions over the past year or so, including in the Vice President's recent report on counterterrorism, the administration advocated the formation of a single oversight committee. I am wondering, first, how you feel about that; second, what kind of impact you think that would have on the oversight process?

Mr. GATES. Well, I have heard arguments made both pro and con for a joint oversight committee. Frankly, it comes out about a wash for me, and I think it is essentially up to the Congress to decide how it wants to organize itself. I think you can make arguments both ways in terms of its value and whether it would cut down on leaks or things like that. There are also offsetting arguments. I would think that that is basically a matter for the Congress to decide.

Senator McConnell. So you have no strong views about it one way or the other?

Mr. Gates. No, sir.

Senator McConnell. So you don't conclude that it would necessarily have an impact on the problem that the chairman and others talked about of leaks that we all find troublesome, no matter where they come from.

Mr. Gates. I don't think so. No significant. Perhaps some, but——

Senator McConnell. In your statement of qualifications, you mentioned, and I quote from it, that you had "introduced a number of measures to bring about the long-range improvement of CIA analysis, including accountability (for the first time) of analysts for the record of forecasting and assessments." I am interested in how you structured and implemented that, and if there are any consequences for reports that are not subsequently proved to be accurate.

ANALYSIS

Mr. Gates. The way we implemented that was to create for each analyst in the Directorate a file into which we placed a copy of everything that the analyst wrote on his or her particular area, whether it was a short current intelligence piece or a longer range research study. And one of the things we did that helped assuage the analysts somewhat is that we allowed as how there was the real possibility that the process of refining these reports as they are produced may take a marvelous piece of analysis and destroy it in the course of this review. So we always allow the analyst, if he or she wishes, to include the first draft of their writing as well as what was ultimately published. So that when you go through, the analyst could say, see, I was right, and you guys messed it up along the way.

One of the things that I assured the analysts of when we started this was that we were not going to take action against or on behalf of an analyst on the basis of one report. The best analysts are going to be wrong occasionally. The purpose of the file, really, is to guage several things. First of all, accuracy over time. Is this analyst pretty much on the mark most of the time. How good is the analyst at conceptualizing the problem, of identifying what the issues are. How good is the analyst in arraying the information and in conveying it to the policymaker. And we use these files each year or throughout the year, but particularly when it comes time to evaluate the performance of an analyst, and when an analyst is a candidate for promotion. And then the managers use these files to guage what progress the analyst has made and how good we think the analyst is compared to his or her peers.

Another purpose of it is, frankly, to guage whether an analyst is getting better over time or getting worse. So it is used as a kind of all-purpose means of evaluation. One of my hopes was that it would be a system that would be far less subjective than just the views of their immediate supervisor. Also, when a supervisor moves on, every analyst sort of has to prove himself or herself anew to a new supervisor. Having these files in hand would allow a new supervisor to learn fairly early on where the strengths or weaknesses of his or her organization were.

So I think that there are a lot of purposes to them. One of those purposes was not to take a single piece of paper out of it and pillory an analyst, or promote one, for that matter.

Senator McCONNELL. I am kind of surprised it hadn't been done before. I gather you might have been as well.

Mr. GATES. So was I, Senator.

Senator McCONNELL. No further questions.

The CHAIRMAN. Thank you, Mitch. Senator Murkowski.

STATEMENT OF SENATOR MURKOWSKI

Senator MURKOWSKI. Mr. Gates, in our discussion yesterday, although it was very brief, I expressed a concern over the magnitude of the intelligence umbrella. And I am referring to the intelligence community, the NSA, the DIA, the Department of Defense, and those military organizations that have intelligence support including the Army, the Air Force, the Navy. Given my association on the Senate Intelligence Committee, I have taken note of the competitive aspects of their intelligence gathering capability; they all operate somewhat on a parallel, a very high parallel level. We also have the role of the FBI. In addition, the Department of Energy maintains an intelligence capability, as does the Department of State. And the CIA, through the Director's, I gather, responsibility as the head of Central Intelligence, is responsible to ensure communication throughout the community. The realities are that the budget process and the prospect of constrained budgets dictates a high degree of efficiency in the intelligence-gathering process.

INTELLIGENCE UMBRELLA

Observing the activities of this committee, there is plenty of intelligence around; the question we have is the quality of that intelligence. Now, we have got a tremendous resource out there, but the resources appear to be competitive in many regards. And I am wondering how you assess your responsibility to try and increase the efficient operation of the intelligence community as a whole, recognizing the competitive postures that exist within the military framework of the Department of Defense, and the already established agencies that are charged with specific intelligence responsibilities obviously the decsionmaking process has to be made on the basis of tough decisions. You can gather more intelligence, and that is fine, but by the same token, somebody has to bite the bullet and make those crucial recommendations.

Are we, in effect, because of the redundancy in the structure, failing to put our budgetary dollars in the most efficient manner, and would you suggest any reforms where we can utilize the physical resources of the intelligence community in a more responsive manner in the national interest?

Mr. GATES. Senator, I believe that one of the reasons for the diversity of the community and the apparent redundancy is the degree to which different elements of the community have different responsibilities. The Air Force, the Army, the Navy, for example, while they have some national intelligence responsibilities, fundamentally provide the tactical day-to-day intelligence support that are required by their own military organizations, whether it is putting together target folders or whatever. INR at the State Department primarily serves the Secretary. DIA serves the Joint Chiefs and the Secretary of Defense, and CIA's primary customer is not only the President and the White House and the National Security Council, but the members of the National Security Council at the highest level.

So I think each of these organizations has a different role to play, and in many respects, fundamentally a different mission. Now, we have been concerned about efficiency. One of the things that we've done, frankly, was in response to suggestions from the oversight committees, and that had to do with the use of external contracts by the different agencies of the intelligence community and the worry here that there was redundancy in those contracts, that we didn't know what each other was doing, and weren't sharing the results and so on. Partly because of that, we established an Intelligence Producers Council that represents all of the principal analytic elements of the community, and within that Council we now share all the information on contracts that are being let to academe, to think tanks, to various organizations that work with us, so that we can all share the information, make sure we're not being double teamed by a contractor and so on.

So I certainly wouldn't want to say there are not efficiencies that still are to be made. One of the concerns that this committee has expressed frequently in the past is the concern to have greater competitive analysis, particularly between the agencies, and to have a clearer expression of differences between the agencies. This means several different agencies working on the same problem using the same data. It seems to me that in the interests of efficiency, what we have to make sure is that when there is such a duplication of effort, that we do it consciously and not by accident, and that we have selected those areas.

Let me give you an example.

Senator **MURKOWSKI**. I have one short question remaining.

The **CHAIRMAN**. You can always elaborate for the record.

Senator **MURKOWSKI**. While I appreciate the necessity of sharing the information which you have indicated you have in your formal establishment of procedure, I still think any organization needs direction and orchestration, and I am still not satisfied that the direction is there in the sense of directing the other agencies, but I have expressed that concern previously.

YURCHENKO

My last question is a procedural management question. The situation regarding the Yurchenko incident has received a great deal of attention by this committee. And there was concern over procedure and fixed responsibility in the sense of who was responsible for that extraordinary situation where the individual was allowed to leave the restaurant and for all practical purposes, disappear from our scene and appear at the Soviet Embassy.

And without going into a great deal of detail, I think it is fair to say that as a member of this committee, I was not satisfied that the CIA had structured itself to ensure the necessary accountability. And I am curious to know if that indeed is your assessment of the situation, and if in fact it has changed, and if there is clear-cut accountability and responsibility so that situations like that cannot occur again.

Mr. **Gates**. Yes, sir. My perception is identical to yours. There were organizational deficiencies. We have made organizational changes so that a single individual and a single organization are accountable and are in charge of the entire process for defectors.

Another element that we have changed that had to do with our dealings with the individual himself, or an individual defector, is to ensure that the same person is basically the principal case officer for a defector with continuity, so that a defector isn't facing a whole new set of people all the time and there is somebody there that he gets to know and that he can depend upon and that understands him and understands his concerns, and can identify when he is going through a particular psychological crisis or so on. So we have made those two organizational changes.

Senator **Murkowski**. Well, I commend you on that. I think that is very important. Because it is inconceivable to me that an agency structured as the CIA would not have a responsibility chain that would be a primary foundation of the agency, and I think we were all concerned that that situation occurred. I hope that those chains of commands are permeated throughout other parts of the intelligence community so that there is clear direction and responsibility and accountability.

I thank you very much, Mr. Chairman. Thank you.

The **Chairman**. Thank you, Frank.

Dave Boren, probably we've got 2 or 3 minutes before we have to depart for a vote.

STATEMENT OF SENATOR BOREN

Senator **Boren**. I'll be very brief, because I do know we have a vote on the Senate floor. Senator Murkowski really touched on the two major areas that are of greatest interest to me, and I am very reassured to hear about the changes in the way in which responsibility is now being clearly delineated in terms of the defectors program, and I think those are important steps that you've outlined.

INTELLIGENCE DUPLICATION, COORDINATION

Let me go back to the area of duplication and overlap and coordination between the intelligence agencies. The Director of course, by Executive order, is given the responsibility and the authority to coordinate the budget for the various intelligence functions that are spread among several different agencies. Let me just ask, do you think that the legal authority now given to the director is sufficient to empower him to reduce to the minimum degree possible the amount of duplication and to make sure that we make the most effective use of the dollars, or is there the possibility that we should study the enhancement of that authority?

Mr. **Gates**. Senator Boren, I think that the Director has sufficient authority to deal with problems such as that, not only in terms of his budgetary authority, but I think that perhaps equally important, the interest that both he and his colleagues at the senior levels of the intelligence community have in dealing with those problems when we do identify them. So I think that we can take action on a basis of an amicable understanding of, we've got a problem and let's deal with it.

Senator **Boren**. Well, let me just ask one last very brief question. When we have an emergency situation, be it a hijacking situation, perhaps a case of international terrorism, perhaps just the disappearance of a defector, and you have various responsibilities shared among agencies. You have, as has already been said, a role played by the FBI, for example. There are situations that require close coordination between the agencies in an emergency situation—almost a task force to deal, let us say, with a terrorist situation or a hijacking situation or something else. Who makes the decision as to which agency shall be the lead agency in that kind of situation. I gather it might vary from circumstance to circumstance in terms of which agency would be most appropriate to give the leadership.

One of the things that has always concerned me is it seems sometimes we have a committee put together or a task force put together without any clear chairman being in charge, without a lead agency being clearly delineated in that situation. Does that have to come from the President or is the Director empowered to make that decision among agencies?

Mr. **Gates**. No, sir. I think that the Director has the authority and the harmony in the community is such that, in consultation with the other leaders, they can agree on and designate a lead agency for dealing with those problems.

The **Chairman**. I am going to recess the meeting now.

Senator **Bradley**. Can I just do one quick question? Maybe he can do it for the record?

The **Chairman**. Well, we all have to come back and vote anyway. We need eight people here to vote right after this, so why don't you defer, Bill, to take the time to ask questions. We'll probably vote around a quarter to 4.

Thank you. We'll recess the hearing for 15 minutes.

[A vote recess was taken from 3:22 p.m. to 3:40 p.m.]

The **Chairman**. The hearing will come to order.

In our rotation, Senator Bradley has at least a question or two. I want to ask just one question, and try to bring this to a vote as quickly as we can.

Senator Leahy asked you about the CIA's expanding role in covert action, to support what might be called a counterrevolutionary activity, this means utilization of the CIA as an operational entity. This presents us in the oversight process with a potential difficultly in that this Committee must rely on the CIA for intelligence—about what might be going on in a particular country which is subject to activity under a special finding.

At the same time, the CIA, under a finding, might be involved in an operation in that same country. Can you trust the agency that is given the mission of operations to also provide you with reliable and trustworthy information and intelligence about exactly what is going on in that country and how effective the operation may or may not be?

MISSION OF OPERATIONS—TRUSTWORTHY INFORMATION

Mr. **Gates**. Mr. Chairman, I think part of the answer to an extent rests in the barriers within organizations that I spoke about earlier that I'm trying to—that I tried to reduce in some areas. Most of the analysts—well, no analyst, really, has operational responsibilities relating to any covert action. Most of the analysts have no detailed knowledge of what is going on in a covert action itself. The national intelligence officers who produce the national intelligence estimates are not brought into the covert action process. So that you have a group of people who are within the institution and representing the intelligence community who are, in most respects, insulated from being, I think, affected or influenced by a covert action.

Now, the truth of the matter is that sometimes we do encounter some difficulty in coordinating some of our work with the clandestine service, where the people are directly involved. But I do not know of a single instance in the 4 years, more than 4 years that I have been Deputy Director for intelligence where we have not been able to describe the situation inside a given country as accurately and as honestly as we know how. And I think that the information that the committee has available to it in the various estimates that we have done on some of these countries, would attest to that.

Senator **Leahy**. I think, if I might, Dave, one of the reasons for the series of questions I asked on that is that so long as there is a covert operation reported to this committee as such—even if the President of the United States is talking about it at a press conference, or the Secretary of State or the Secretary of Defense, or anybody else, or it may be the subject of a major newspaper or news magazine story—we continued to be restricted under Senate Resolution 400, which places an enormous amount of restraint against any reference to it. As one Senator who when offered a chance to come on the Intelligence Committee, said no, because he felt like he was facing Pac Man, and the intelligence information was like Pac Man, coming along and gobbling him up. So he couldn't say anything. If something is made part of a covert operation, you can't have any kind of full debate on it. There is no foreign policy debate; it is here and that's it. And all of a sudden, those of us most knowledgeable on it have to become mute.

And one of the reasons I asked the question is that you should consider what the Congress eventually will have to do if the administration places more and more foreign policy matters under this umbrella. We are going to have some pressure to change these procedures. I am not convinced that that would necessarily be a good idea, but it is certainly a realistic prospect.

The **Chairman**. Senator Nunn. Sam, do you have any questions?

STATEMENT OF SENATOR NUNN

Senator **Nunn**. Mr. Chairman, I know you are pressing for a vote, and I unfortunately have been in other meetings, so I won't detain the committee.

The CHAIRMAN. I need two more members before we can go to a vote.

Senator NUNN. Well, if we are not going to vote, I will ask one question.

The CHAIRMAN. Sam.

Senator NUNN. Mr. Gates, I want to ask you a question that I think at some point has to be in the public domain. I'll try to phrase it in a way that will not get into classified information, but when we have Presidential decisions to disclose certain information that relates to perhaps sources and methods—I'll state this in the hypothetical—is there a method by which that is released? That is to say, if it is released by the President or the head of the CIA is it carefully couched, so that people within the bureaucracy will understand that it is a Presidential exception based on real need, rather than simply another series of leaks?

DISCLOSING INFORMATION

Mr. GATES. Yes, sir. In fact, when the decision is made to disclose information, whether it is at the initiative of the executive branch, the President, or the National Security Council staff, or the Secretary of State, or at the behest of this committee, or one of the other committees—the work that was done on the Soviets in the U.N. is an example of where the initiative came from the Congress—it is actually the analysts themselves who do the sanitization process, working with the collectors directly, to either find a way to rephrase the information or to delete information in order to protect sources and methods.

Senator NUNN. Is there a method by which the actual substance is released, beyond the sanitization? What I have in mind is a method of releasing it so that people know that it is an exception rather than continuing to spread the belief that everybody leaks, therefore it is OK to leak.

I have in mind, quite frankly, the tremendous number of stories that have come out regarding Libya in the last 4 or 5 days. And I am very concerned not only about the substance and so forth, and I won't talk about that in this hearing, but about the demoralizing effect of the leaks. Or, put it in reverse. These leaks encourage further leaks because they are obviously coming from high level sources in the executive branch and are obviously part of some kind of overall decisionmaking process, which I don't necessarily disagree with. But I think these leaks are devastating to our national security interests. And I think they are going to cause a lot more leaks from other places.

Mr. GATES. Senator Nunn, I believe that the leaks that you have seen over the last several days with respect to Libya are not the result of any decision process, but the result of indiscipline on the part of individuals.

Senator NUNN. Well, I think somebody at the highest levels of Government has got to get this under control. It is not just this situation, but I am concerned that nothing is going to be a secret anymore. When you start reading things that lead directly, or could, hypothetically at least, to sources and methods of a sensitive nature, I think it is deplorable. I don't cast any blame. We hear so much about Congress leaking, but, to the best of my information Congress hasn't even been briefed in these areas, which means that these leaks are definitely coming from the executive branch. And I think it is going to cause a lot more difficulty over the next few months.

Mr. GATES. I share your concern entirely.

Senator NUNN. Is anybody investigating it? Have we got the FBI looking at it? Is the CIA—you don't have the authority to investigate domestic leaks, do you?

Mr. GATES. I am pretty certain, Senator, that some of the more significant leaks in the last few days have been reported to the FBI with a request that they investigate. If they haven't been, I am sure that they will be.

Senator NUNN. In other words, your agency is concerned about it, and you are being assertive in regard to what can be done?

Mr. GATES. Absolutely.

Senator LEAHY. You know, it's sort of like what Justice Stewart once said—if everything is classified, then nothing is classified. After awhile if everything starts getting leaked, nothing is held back. This is certainly a great concern here.

I've made the comment on other occasions that I sometimes feel that our way of getting intelligence briefings might be better if they took the local newspapers, marked them top secret, and handed them to us. There'd be three benefits: we'd get the intelligence material in a more timely fashion; second, it would be more complete; and third, there'd be a crossword puzzle.

But I share the concern you must feel when you see those same intelligence matters on the front page.

The CHAIRMAN. Bill Cohen.

Senator COHEN. Let me ask just one question. You indicated in your opening testimony about support for congressional oversight, that nearly two-thirds of the employees at the Agency now have come on since 1976.

Mr. GATES. YES, SIR.

Senator COHEN. With that fresh infusion of new blood also comes perhaps some criticism that you have lost some of the old talent. With respect to the defector program, for example, I know the Agency came under quite a bit of criticism on the way in which it handled the *Yurchenko* case. So I guess the question I have, is to what extent—could you tell us that the ideal defector program ought to entail? How close can we come to matching that ideal? What are we doing now to correct whatever deficiencies existed?

DEFECTOR PROGRAM

Mr. GATES. Senator Cohen, I think that an ideal program would start with a single individual in charge of the entire process from the moment a defector walks in or appears on our doorstep to the resettlement—a person who can be held accountable and who has both the responsibility and the authority to deal with all aspects of that. The second part of that, as I suggested earlier, involves having a single case officer who can develop a relationship and who can be responsible for an individual defector and can develop a relationship with him and trust, and who can be there with him, and have his confidence. And so we would know if he were beginning to experience some doubts or psychological problems, as many defectors do.

Senator COHEN. What about guidelines? Up until last week and maybe not even as of last week, we didn't even have an agreement on consensus on what the status is of a defector in this country in terms of what his legal rights are and what our legal recourse might be in terms of restraint.

Mr. GATES. Well, my impression from talking to our lawyers is that we do have the authority under the law—under the——

Senator COHEN. I am not questioning that. What I am saying is there haven't been any guidelines.

Mr. GATES. That's correct.

Well, there has been a policy for 40 years, and it was articulated first by Allen Dulles. The policy was that we would not restrain defectors; that in the interest of encouraging other defectors and giving an impression that they would be free to do as they pleased if they came to this country, there was no exercise of—there was to be no exercise of restraint.

Now, it seems to me, based on our experience with Yurchenko, that we perhaps ought to step back at least one step from that, at a minimum deal with defectors in a way that if they do begin to have doubts, they do begin to think about going back, if they are as appalled by leaks as Yurchenko and others have been, that they can't just sort of step out the door and walk into the Soviet Embassy. That we debrief them in circumstances where if they begin to have these doubts, we have them apart where we can keep them for a couple of days at least, at least for a temporary period, and try and ascertain whether they've been coerced, whether they're under drugs, whether they understand the full implications of their actions and so on. But then I think we still are in the position that in terms of our interest in enticing other potential defectors, that over the long term we would not want to be in the position of restraining a defector for a prolonged period.

Senator COEHN. You mentioned having one person in charge from the defection to the resettlement. What about language barriers. What about having individuals who speak the same language as that defector available to talk to him or her in their own languages?

Mr. GATES. My own view is that is imperative.

Senator COHEN. Has that been done successfully, to your knowledge?

Mr. GATES. I don't know the answer to that, Senator.

The CHAIRMAN. Do other members have any questions of Mr. Gates?

INTELLIGENCE BUDGET

One of the questions we haven't touched on is the budgetary question I referred to in my opening statement, we are in a time of fiscal constraint with a need to prioritize intelligence requirements. Obviously you have participated in the process of developing the first national intelligence stratgegy with the DCI, which in part is an effort to overcome some of the problems of allocation of resources within the defense budget.

How are we able to get a fair estimate of the need to protect intelligence budget resources from being robbed to accomplish other defense ends?

Before you answer that, which you can do for the record, let the record show there are eight members present, do any members want us to go into a closed session before we vote on the recommendation?

Senator LEAHY. Before we do that, Mr. Chairman—and I know the press would prefer that we go into a closed session because it would be more exciting—but Senator Bradley has a number of questions for the record, and if we are to vote, let us note his ability to be able to submit those questions for the record. In fact, there may be other questions for the record. I move that these be allowed to be submitted later.

The CHAIRMAN. Without objection, all of those questions will be made part of the record.

Is there any member that desires us to go into a closed session?

Senator LEAHY. There is no request on this side.

The CHAIRMAN. If not, then is there any objection on waiving committee rule 5.5 which prevents a vote on confirmation sooner than 48 hours after transcripts of the hearing are available?

If so, not hearing any objection, I will ask the clerk to call the roll on the question, shall the committee recommend that the nomination of Robert M. Gates to be Deputy Director of Central Intelligence be confirmed.

Senator LEAHY. And before the clerk does that, Mr. Chairman, I would ask unanimous consent that any absent member be allowed to be polled by the end of the day today.

The CHAIRMAN. There is a provision in the rules that all members can vote by proxy. I have the proxy of Senator Roth already voting in favor, by proxy. Without objection we will honor the Vice Chairman's request.

COMMITTEE VOTE

The clerk will call the roll.

The CLERK. Senator Durenberger.

The CHAIRMAN. Aye.

The CLERK. Senator Leahy.

Senator LEAHY. Aye.

The CLERK. Senator Cohen.

Senator COHEN. Aye.

The CLERK. Senator Hatch.

Senator Murkowski.

Senator MURKOWSKI. Aye.

The CLERK. Senator Specter.

Senator Hecht.

Senator HECHT. Aye.

The CLERK. Senator McConnell.

Senator MCCONNELL. Aye.

The CLERK. Senator Bentsen.

Senator Nunn.

Senator NUNN. Aye.

The CLERK. Senator Eagleton.

Senator Hollings.

Senator Boren.

Senator BOREN. Aye.

The CLERK. Senator Bradley.

Mr. Chairman, the motion is carried.

The CHAIRMAN. The record will show that Senator Hatch voted his proxy aye on the nomination.

Are there any further questions of Mr. Gates or any further comment?

If not, the hearing is adjourned, and we are pleased, Bob, to recommend your confirmation.

[Whereupon, at 4 p.m., the hearing was adjourned.]

ADDITIONAL MATERIAL SUPPLIED FOR THE RECORD

OPENING STATEMENT OF SENATOR SAM NUNN

Mr. Chairman, I join you in welcoming Robert Gates before our Committee this afternoon.

I am pleased that the President has nominated a career intelligence officer with such wide ranging experience as Mr. Gates. His service as a member of the SALT delegation and as a member of the NSC staff under three Presidents gives him a unique ability to see how intelligence is used by senior policy makers. Too frequently, intelligence products do not adequately take the needs of the decision-makers into account. In his current position, Mr. Gates made significant strides in improving the quality of the product and I am sure he will continue to strive for even more improvements.

However in his new capacity, Mr. Gates will have responsibility for issues far wider than just the production and analysis of intelligence. He will have much to do with the management of the intelligence community, relations with Congress, and covert action.

The role of the Director of Central Intelligence, and his deputy, are two of the most important positions in our government. It is imperative that the President, his senior advisers, and the Congress have the very best intelligence presented with a deep respect for the unvarnished truth. An intelligence advisor is sometimes like a lawyer—he has to tell his clients things that his client doesn't want to hear. In that respect, I encourage Mr. Gates to follow the advice of the old baseball umpire who said "I call 'em like I see 'em." That is not always an easy task, as I am sure Mr. Gates recognizes. However, in my years of association with the intelligence community I know that there are superb analysts who call 'em like they see 'em. The United States should be proud of those analysts and their work. By the nature of their work, they do not get, or seek, publicity. But I would like to take this public occasion to commend Mr. Gates and those professionals that he represents for their superb contribution to the national security.

One more point, Mr. Chairman. In recent days we have seen an increasing number of disclosures of extremely sensitive intelligence information in the press. Those disclosures are originating in the Executive Branch and appear to have as their purpose proving that the Libyans are responsible for recent terrorist acts. I deplore this selective release of classified information and I urge that Mr. Gates and his colleagues in the intelligence community make it clear to policy makers the consenquences of those disclosures. There may be a time when the President decides that it is appropriate to disclose intelligence information, such as President Kennedy did during the 1962 Cuban missile crisis. However, I see no indication that the President has decided to make these disclosures. In the absence of such a conscious decision that the gain to our policy is outweighed by the harm of the disclosures, I believe that the disclosures are extremely harmful and must be stopped.

Again, Mr. Chairman, I look forward to hearing Mr. Gates' statement this morning and I look forward to working with him in his new capacity.

QUESTIONS TO MR. GATES WITH ANSWERS

Question 3.—Mr. Gates, in the net assessment area, traditionally the CIA has been permitted to focus only on "Red Forces", i.e., the Soviets and their allies. DIA, the service intelligence organizations, and the JCS also focus on red forces. However, they also compare red and blue forces (i.e., the U.S. and our allies) as does the OSD net assessment organization.

Too often, however, the DoD assessments are oriented towards justifying budget requests. We currently do not have the kinds of checks and balances in the net assessment area that ensures objective information. The Packard Commission has recommended that the JCS Chairman, with the assistance of the DCI, prepare net assessments. This would be an important new role for CIA in working with the JSC Chairman. What is the current status of that recommendation and do you support this initiative? What are the advantages of this proposal?

Answer.—The Executive Branch is implementing the recommendation of the Packard Commission, and procedures are being developed for the joint preparation of net assessments by the Secretary of Defense, the DCI, and the Chairman of the JCS (with the assistance of the JCS). I fully support this initiative, and I have every reason to believe that we will be successful. In fact, preliminary planning for this effort is already underway at CIA. I expect one result will be an improved understanding by the Intelligence Community of the relationship of our work to U.S. force developments. An evaluation of intelligence developments and trends in the context of U.S. military requirements and trends is of obvious value to policymakers who are inundated with information.

Question 5.—Mr. Gates, the 1986 Defense Authorization Act and the 1986 Intelligence Authorization Act each contain a provision requiring the submission of a two-year budget beginning with FY 1988. In addition, the Secretary of Defense and the DCI are required to submit a report to Congress detailing the advantages and disadvantages of the two-year budget and how they would implement it. We have received the Secretary of Defense's report, which was due 1 April, but the DCI's is not due until July 1. Do you support the two-year budget and what impact will it have on the Intelligence Community?

Answer.—The Intelligence Community is now examining in detail the pros and cons of a two-year budget as part of the report due on 1 July. At this early stage, my own personal view is that a true two-year budget cycle (involving both multiyear authorization and appropriation) will be good for the Intelligence Community because it will potentially provide more funding stability and give us the opportunity to more closely link planning and resource acquisition. I emphasize a true two-year budget cycle because anything less than complete authorization and appropriation will only generate more work for everyone without any appreciable benefit. In other words, the worst of all worlds would be for a budget review that requires preparation of a two-year program for the Authorization Committees, but only a one-year appropriation by the Congress.

There will be some initial disruptions as the new system is implemented. For example, we are already well into the program build for FY 1988 but have not really begun work on FY 1989. A continuing impact may be an increase in reprogrammings in the second year of the two-year budget. Since the nature of our work—much of which is driven by rapid changes in world events—makes it difficult to determine detailed out-year resources, I would expect us to be forced to move more funds around to meet such unexpected circumstances. Consequently, the Community would require additional flexibility to reprogram funds in the operating year.

CIA AND THE UNIVERSITY

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Speech at the
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CIA AND THE UNIVERSITY

I welcome this opportunity to come to Harvard and speak about the relationship between the Central Intelligence Agency, especially its analytical/research arm, and the academic community. Recent events here have again sparked broad discussion of both the propriety and wisdom of university scholars cooperating in any way with American intelligence. On December 3rd of last year the Boston Globe stated "The scholar who works for a government intelligence agency ceases to be an independent spirit, a true scholar." These are strong words. In my view they are absolutely wrong. Nonetheless, there are real concerns that should be addressed.

My remarks tonight center on two simple propositions:

— First, preserving the liberty of this nation is fundamental to and prerequisite for the preservation of academic freedom; the university community cannot prosper and protect freedom of inquiry oblivious to the fortunes of the nation.

— Second, in defending the nation and our liberties, the Federal Government needs to have recourse to the best minds in the country, including those in the academic community. Tensions inevitably accompany the relationship between defense, intelligence and academe, but mutual need and benefit require reconciliation or elimination of such tensions.

The History of CIA-University Relations

In discussing the relationship between the academic community and American intelligence, and specifically the research and analysis side of intelligence, it is important to go back to antecedents which, coincidentally, have important links to Harvard. In the summer of 1941, William J. Donovan persuaded President Roosevelt of the need to organize a coordinated foreign intelligence service to inform the government about fast moving world events. He proposed that the service "draw on the universities for experts with long foreign experience and specialized knowledge of the history, languages and general conditions of various countries." President Roosevelt agreed and created the Office of the Coordinator of Information, later renamed the Office of Strategic Services, under

Donovan's leadership. The prominent Harvard historian, William L. Langer, was recruited as the Director of Research and he in turn, recruited some of the finest scholars in America for the OSS, many of them from Harvard, Yale and Columbia Universities.

When CIA was established by the National Security Act of 1947, this pattern was repeated. Langer returned to establish the Board of National Estimates. Robert Amory of the Harvard Law School faculty was named CIA's Deputy Director for Intelligence in 1952, and served in that capacity for nearly ten years. Other academicians who joined included: historians such as Ludwell Montague, Sherman Kent, Joseph Strayer and DeForrest Van Slyck; economist Max Millikan, who organized the economic intelligence effort; economist Richard Bissell, who later headed the clandestine service; and even William Sloane Coffin who left the Union Theological Seminary to join CIA for the duration of the Korean War before becoming Chaplain at Yale. He is quoted as recalling that he joined the Agency because "Stalin made Hitler look like a Boy Scout." It was a common reason for academicians to join the Agency in the early years.

Relations between the scholarly community and CIA were cordial throughout the 1950s. The cold war was at its height and faculty or students rarely questioned the nation's need for the Agency and its activities. Some of the most noted university professors of the time served on a regular basis as unpaid consultants, helping CIA to form its estimates of probable trends in world politics.

These halcyon days were soon to change. There was some criticism on campuses over CIA's involvement in the Bay of Pigs expedition in 1961. But the real deterioration in relations between CIA and the academe paralleled the wrenching divisions in the country over the Vietnam War, despite continuing academic cooperation with the Directorate of Intelligence. The decline in CIA-academia ties accelerated with the February 1967 disclosure in Ramparts magazine that CIA had been funding the foreign activities of the National Student Association for a number of years.

Sensational allegations of wrongdoing by CIA became more frequent in the media in the early 1970s, culminating in the establishment of the Rockefeller Commission and subsequently both the Church Committee in the Senate and the Pike Committee in the House of Representatives.

Even the Church Committee, however, so critical of other intelligence activities, recognized that CIA "must have unfettered access to the best advice and judgment our universities can produce." The Committee recommended that academic advice and judgment of academics be openly sought. The Committee concluded that the principal responsibility for setting the terms of the relationship between CIA and academe should rest with college administrators and other academic officials. "The Committee believes that it is the responsibility of . . . the American academic community to set the professional and ethical standards of its members."

This paralleled considerable debate within academic ranks and numerous articles about the relationship between the universities and CIA. In response to a letter from the President of the American Association of University Professors, then CIA Director George Bush replied that the Agency sought "only the voluntary and witting cooperation of individuals who can help the foreign policy processes of the United States." The Director stated that where relationships are confidential they are usually so at the request of the scholars, rather than the Agency, and he refused to isolate the Agency from "the good counsel of the best scholars in our country."

Adopting this approach, Director Stansfield Turner engaged in a long and eventually unsuccessful effort to reach agreement with President Bok of Harvard on relations between this university and the Agency. (Ironically, at this time, another Harvard professor, Robert Bowie, was my predecessor as head of the analytical element of the Agency.) Some academic institutions adopted guidelines similar to the restrictive regulations established at Harvard; in most cases less severe guidelines were proposed. In a great majority of schools where the issue arose, however, the faculty and administration rejected any guidelines, usually on the grounds that existing regulations or practices were adequate to protect both the institution and individuals.

The Agency's relations with the academic world have improved in recent years for a variety of reasons, including developments abroad and recognition in the academic community that CIA, together with the Departments of State and Defense, has been an important and useful supporter of area and regional studies and foreign language studies in the United States. The agencies of the American intelligence community as well as the Department of State have long been a primary source of employment for specialists in these areas. The academic community also consulted closely with senior officials of the intelligence community in their successful campaign to win support for a Congressional-approved endowment of Soviet studies. Intelligence agencies informally strongly supported this endeavor.

In some areas of research, such as on the Soviet Union, our cooperation for nearly 40 years has remained both close and constant. This also has been the case often in the fields of economics and physical sciences. On the other hand, there have been much more pronounced ups and downs in our relationships with political scientists and allied social sciences, particularly among those with expertise in the Third World.

Why CIA Needs Academe

There is, however, one constant in the history of this relationship and in its future as well: our need for your help, and the opportunity you have to contribute to a better informed policymaking process by cooperating with us. Let me describe how and why.

In just the last dozen years, we have been confronted with a large number of new issues and developments and also have had to pay attention to problems too long neglected. The oil embargo of 1973, the subsequent skyrocketing of oil prices and now their plunge; the related dramatic changes in the international economic system, the growth of debt in Third World countries and now repayment problems; revolutions in Iran, Ethiopia, and Nicaragua; the final passage of European colonialism from Africa; new Soviet beachheads and surrogates in the Third World; changing patterns in international trade; and the growth of technology transfer, international narcotics networks and terrorism all have demonstrated vividly that our national security is greatly affected by developments and events in addition to the number and capabilities of Soviet strategic weapons.

Accordingly, the subjects we deal with today are staggering in their diversity. They include problems such as the implications of the enormous indebtedness of key Third World countries; problems of political, economic and social instability and how to forecast them; human rights; narcotics; the illicit arms market; the implications of immigration flows in various regions of the world; population trends and their political and security implications; the global food supply; water resources; energy; technology transfer; terrorism; proliferation of chemical/biological and nuclear weapons; changing commodity markets and their implications for Third World countries; and others too numerous to recount.

But nearly all of these problems have something in common: while CIA has experts in virtually all subjects of concern, there is a vast reservoir of expertise, experience, and insight in the community of university scholars that can help us, and through us, the American government, better understand these problems and their implications for us and for international stability.

With this diversity of issues and problems in mind, the Directorate of Intelligence several years ago initiated an intensified effort to reach out to the academic community, think tanks of every stripe, and the business community for information, analysis and advice.

— Senior managers in charge of each of our substantive areas were directed to undertake an expanded program of sponsorship of conferences on substantive issues of concern to us and to encourage participation of our analysts in such conferences sponsored by the private sector. Since 1982, CIA has sponsored more than 300 conferences, nearly all of them involving considerable participation by the academic community and touching on many of the issues I noted. In addition, we have recorded more than 1500 instances of our analysts attending conferences sponsored by the private sector—and doing so as openly acknowledged CIA employees.

— We have increasingly turned to the academic community to test our assessments in ways consistent with protecting intelligence sources and methods. We have helped scholars get security clearances so that they could examine the actual drafts of our studies. A growing percentage of our work is reviewed by specialists outside the government—in the academic community and various think tanks, and by retired senior military officers, independent specialists, and others.

— We have established panels of security cleared specialists from business and the academic community to meet with us regularly not only to help improve specific research papers but to help develop new research methods, review performance, and help us test new approaches and hypotheses.

— Our analysts are required to refresh their own substantive credentials and expand their horizons by obtaining outside training at least every two years. This requirement can be met through taking university courses, participating in business or other outside sponsored seminars and conferences, attending military training courses, and so forth.

Our involvement with the academic community takes several forms:

— *Consulting*: This is the most prevalent. It can be formal, under a contractual arrangement in which the individual is paid a set government rate, or it can be informal and unpaid—an exchange of views between interested specialists. We are particularly interested in ideas that challenge conventional wisdom or orthodoxy. We know what we think, but we need to know what others think also.

— *Sponsorship of conferences*: We generally organize our own, but occasionally we contract with others to organize a conference for us. And, of course, our analysts attend conferences sponsored by business, academic and professional organizations, think tanks, and universities.

— *Research*: In some areas, scholars in universities have the experience and expertise to carry out basic research for us, for example, on demographic and economic subjects. The recent controversy at Harvard and the media have focused on this area of cooperation. In fact, it presently is a very minor element in our overall relationship with the academic community. It is hardly a program, as recently alleged, of "covert fees and fellowships" with which we can "buy scholastic priorities."

— *Scholars in Residence*: We have had a scholars-in-residence program for a number of years under which individuals from the academic world can spend a year or two working with us, with full security clearances, on topics of interest to them and us.

— *Information*: Finally, we are interested in talking with scholars who are willing to share with us their impressions after traveling to places of interest or participating in events of interest abroad.

A principal factor in our pursuit of contact with scholars is our perception that quality analysis on the incredible range of issues with which we must cope requires not only dogged research but also imagination, creativity, and insight. Large organizations, and particularly government bureaucracies, are not famous for their encouragement of these characteristics—although there is surprisingly more than you might think. Similarly, to rely solely on information funneled through government channels inevitably would constrict the range of views and information needed. We are looking for people to challenge our views, to argue with us, to criticize our assessments constructively, to make us think and defend and to go back to the drawing board when we have missed something important. In short, we don't want scholars to tell us what they think we want to hear. That would make our entire effort pointless.

Finally, this relationship is not necessarily a one-way street. Just as we are conscious of our need for the injection of ideas and information from outside government channels, I believe you should concede that there is at least the possibility that you might learn something from discussions with us.

Your Concerns

Let me now address some of the major concerns that have been raised by scholars, deans, and institutions about dealing with us. I would note that certain of these concerns reach well beyond just CIA and involve the entire question of relations between outside sources of funds and the university community.

1. *Doesn't research or analysis under CIA auspices of events abroad inevitably compromise academic freedom and the honesty of academic research*?

   — First of all, when we contract for research, we insist on honest work. We do not permit our analysts to cook the books and we would never consult or contract with a scholar a second time who did that. Our research and analysis must stand up to close scrutiny, not only by other intelligence agencies, but by other elements of the executive branch, the oversight committees of the Congress, the Congress as a whole, the President's Foreign Intellience Advisory Board, and a variety of other panels and organizations that have access to our information. While we acknowledge we can be and have been wrong in the past, our very existence depends on our reputation for integrity and for reliable and objective assessments. Any research we use should have the same qualities.

— Second, it seems to me that academic freedom depends on a scholar not being beholden to any outside influence or rigid ideological conceptions but only to the pursuit of truth. The scholar should be free to search where he or she wishes and should not be constrained by any improper influences, including the preferences of colleagues or prevailing cultural winds. Actually, improper influence potentially can be exerted on a scholar in a number of ways: funding from contracts and consultantships with business, foundations and foreign governments—or even the threat of withholding tenure. American academics have long consulted with officials of foreign governments of all stripes. In light of this, singling out a US government agency as a particular threat to honest inquiry represents a double standard if not outright hypocrisy. If a university requires public exposure of any relationship with CIA, then surely logic and equity require a similar practice for relationships with foreign governments and, in fact, all other outside relationships. And, indeed, if our funding should be openly acknowledged, should not all outside funding, of whatever source, be openly acknowledged? You are rightly proud of your ability to do objective research. CIA does not threaten it.

— Third, I agree with the proposition that it is the responsibility of the university itself to establish and monitor the rules governing all these relationships. It is both foolish and irresponsible to do so by isolating the scholar from any outside contact under the guise of protecting academic freedom.

2. *Won't publicly acknowledged contacts with CIA hinder a scholar's access and freedom of inquiry overseas*? I acknowledge this might be a problem for some individuals. Indeed, in some places around the world, all Americans are suspected of working for CIA. However, many who have worked with us for years have not had any difficulty.

3. *Can't a colleague's contacts even with CIA analysts compromise an entire department*? I have been asked before about the danger of one scholar's association with us involving his or her faculty colleagues through some sort of guilt by association. I would simply offer two observations. First, the university community is a remarkably diverse one and I am sure that in many departments there are scholars who are involved in some sort of activity with which their colleagues disagree or which they

do not support. So, again, this problem is not limited just to CIA. Some form of reporting to the university on such relationships that could be kept confidential would seem to me an appropriate way to minimize this problem. My second observation, however, is that at some point some courage is called for. The freedom of those who do wish to consult with us can be infringed upon by the fears of their colleagues. We do not believe that working with your government to help bring about better informed policy is shameful; indeed, it should be a source of pride and satisfaction. Contributing to a better understanding of some of the most difficult and occasionally dangerous problems of the world, in my view, is responsive to the scholar's highest calling.

4. *Isn't prepublication review tantamount to CIA censorship of independent ideas, opinions and judgments*? No. Our review is only to ensure that no classified information is included in a book or article and that the text does not reveal intelligence sources and methods. We have no interest in altering the substance or conclusions of writings we review and take great care to avoid asking for such changes. And the fact is: we don't. Where a consultant has no access to classified information, there is no prepublication review.

5. *What about the view that CIA engages in covert action as well as collection and analysis and a variety of "immoral" acts and therefore association with any part of CIA is unacceptable*? Activities at CIA are carried out within the law, with the approval of appropriate authorities, and with the oversight of the Congress. They are activities mandated by the decisions of elected officials in both the Executive and Legislative branches. As we have seen recently Congress can and does deny funds for legal intelligence activities with which they disagree, thereby terminating such activities.

— The Central Intelligence Agency is a foreign policy instrument of the elected representatives of the American people, just like the military, USIA or the Department of State. If you find some element of the government's foreign policy or activity inconsistent with your professional judgment, I would encourage you first to do all you can to test the validity of your position. You also can decline to have any association with us at all. But in the latter case, the decision whether to associate with us should be left to the individual. One individual's freedom of association should not be denied because of another's personal point of view. A university steps on precarious ground and itself endangers academic freedom if it starts making arbitrary rules about which organizations a scholar may participate in or talk with—and, I would add, especially if one of those organizations is a branch of our society's own democratically chosen government.

Our Rules

Before I close, let me review the rules and policies of the analytical arm of CIA for dealing with the university community. We continually review our regulations and policies in the light of new opportunities, new problems and new issues. For example, well before the recent controversy here at Harvard, we revised our contract language with respect to prepublication review, narrowing that review—which again, is simply to avoid the compromise of classified information—to the specific subject area in which a scholar had access to classified information. For example, if a scholar consults with us about nuclear proliferation and has access to classified information, writings on unrelated subjects need not be submitted.

We have again looked at our rules and policies as a result of the controversy here at Harvard, and this too has produced some modifications. For example, the Directorate of Intelligence now explicitly tells any organization or individual organizing a conference on our behalf that the participants in the conference should be informed in advance of our sponsoring role. Quite frankly, because we organize the overwhelming majority of our conferences ourselves, this problem had not arisen before.

Let me review three key policies of particular interest to the university community:

— First, while the Directorate of Intelligence presently has no contracts for classified research at any academic institution, we can and will let contracts for classified research where university rules permit, where appropriate facilities and circumstances allow, and when a genuine need exists.

— Second, when we contract for unclassified research, we spell out explicitly for the scholar the conditions governing use of that research. In some cases, the research will be done strictly for us, and we will be the only recipient. In other cases, once we have received the research and assured ourselves that the terms of the contract have been carried out, we will acquiesce in a scholar's request to publish a book or article drawing on that research. We do not commission or contract for books or articles. We are realistic about pressures on scholars to publish, however, and, in order to attract some of the best people to work with us, we try to accommodate their desire to draw on unclassified research they have done for us for publication for their own purposes. And, finally, there are cases where we allow research done for us later to be published under the scholar's name without any prepublication review on our part.

But in any of these circumstances, our review is simply to ensure that the work we contracted to be done has been done, meets appropriate standards of quality and does not contain classified information. Taxpayers justifiably would be displeased if we were not to ensure that we had received true value for their money.

— Third, we also have looked again at the question of whether our funding of research that is subsequently used in a publication by a scholar should be openly acknowledged. There are several good reasons that argue against such an approach, including the possibility of difficulty with a foreign government by virtue of acknowledged CIA interest in its internal affairs; the possibility that acknowledged CIA interest in a specific subject—such as the financial stability of a particular country—could affect the situation itself; and, finally, concern that readers might assume the scholar's conclusions were, in fact, CIA's.

As a result of the controversy here at Harvard and expressions of concern about this policy, we reexamined this issue with considerable care. In the first place, there are certain circumstances under which disclosure of our funding of research may be required, and we of course comply. Beyond this, we have decided that our interest in obtaining the cooperation of this country's scholars and allaying the misunderstandings and suspicions that have grown out of our earlier approach warrants at least some change in our policy. Accordingly, CIA will henceforth permit acknowledgement of our funding of research that is later independently published by a scholar unless (1) the scholar requests privacy or (2) we determine that formal, public association of CIA with a specific topic or subject would prove damaging to the United States. Any acknowledgement of CIA funding would be accompanied by a statement to the effect that the views expressed are those of the author and do not necessarily reflect the views of CIA or of the US government. I assume, of course, that universities also will press hard for public disclosure of other sources of funding for research.

— Fourth, we expect any scholar or individual who consults or works with us to abide fully by the rules of his or her home institution in terms of reporting the relationship with us. But, in our view, it is, in the first instance, the responsibility of the institution to set such rules and to enforce them, and the responsibility of the scholar to comply.

Conclusions

The world is increasingly complex. The challenges to the security and well being of the American people are increasingly diverse and subtle. Director Casey and I, and others in the Executive Branch and our Congressional oversight committees believe that contacts with universities and others in the private sector are imperative if we are properly and effectively to carry out our mission of informing, improving understanding, and warning the government about developments around the world—the same mission identified by General Donovan and President Roosevelt. Our ability to carry out our mission, as in the days of Langer and Donovan, depends on voluntary cooperation between those of us who carry this responsibility in intelligence, and those in the university, business, retired military, and others who can help us understand these challenges better and forecast them more accurately. Our country is the ultimate beneficiary.

Consultation and cooperation with CIA on the problems this nation faces abroad do not threaten academic freedom. However, I believe that freedom of inquiry is limited, a desire to render public service sometimes tragically thwarted, and our nation disadvantaged, by those who would deny a scholar's willingness to work with the American intelligence service in assessing the world around us.

The government cannot coerce any scholar to cooperate or work with the Department of Defense, Department of State, or CIA. By the same token, no scholar should be prevented by academic institutions or colleagues from doing so. And none should have to worry that his or her reputation will suffer because of a public-spirited, patriotic willingness to help us better understand and forecast developments abroad affecting our national well-being and the forces that threaten our freedom.

THE SOVIET THREAT (U)

(THIS PAPER IS UNCLASSIFIED)

Robert M. Gates

CIA

Standing before this group to talk about the Soviet strategic threat is a little like being invited to a convention of Evangelicals to talk about why they should believe in Jesus. It is a subject on which all of you have heard countless briefings and are as a group well informed in terms of Soviet weapon systems, their capabilities and effectiveness. There is a danger, however, especially among the well informed, of becoming lost in the trees, of losing perspective on the nature of the strategic competition.

Discussion in the United States of the Soviet threat for too many years has focused on a very narrow aspect of the competition. That discussion has tended to revolve around the presentation of the defense budget and often has concentrated on what they spend and what they get for their money and what we should spend and hope to get for our money. But I would submit that this limits our national attention too much to a debate about numbers and too little to why we are engaged in this competition in the first place, the nature of that competition, and its historical context. We have trivialized the most profound contest in history into metaphysical debates about kill probabilities, throwweight, fractionation, fratricide and survivable C^3. Now, I know that the numbers are important — especially at budget time and especially for those who must propose and those who must vote on real programs. Indeed, I will talk to you today about numbers. But the numbers have crowded out history and meaning, and our citizens have little basis to judge whether the cost and risk of the competition are justified because they too often do not understand the nature of the contest itself. So, today, I turn to the past as a guide to the future. I want to place the Soviet threat in an historical context and to discuss the nature of our adversary, his resolve and commitment to the competition, his weapons, and the long-range prospects.

First, to the nature of the conflict. Some would have you believe that this competition is yet another episode of great power rivalry growing out of nationalisms rooted in the last century; that it derives from a search for security or to overcome a national sense of inferiority or a quest for markets or spheres of influence, or a host of other traditional modern European State objectives. More recently, you will have heard that it is based in misunderstandings or failure at Yalta or the hobgoblin fantasies of military industrial complexes on both sides, that the rivalry is based on old fashioned thinking, an outdated cold war mentality, or an exaggerated suspicion of the other side's intentions.

My personal view is that these explanations do not go to the heart of the conflict — that it is, in fact, a conflict deeply rooted in ideas and that the ideas and the conflict are as old as recorded history. The threat posed by the Soviet Union -- by Russia — is the lineal descendant of the same threat Western civilizations have faced for three and a half thousand years. It is the threat posed by despotisms against the more or less steadily developing concept that the highest goal of the State is to protect and foster the creative capabilities and the liberties of the individual. The contest between the United States and the Soviet Union is, in my view, the latest chapter in the conflict that pitted the Athenians against Xerxes and the Persians, the Romans against Attila and the Huns, Medieval Europe against Genghis Khan and the Mongol horde, and the Holy Roman Empire against Suleiman and the Ottomans. It is the contest between two elemental and historically opposed ideas of the relationship between the individual and the State. The ideas are irreconcilable.

Our Alien Adversary

The first point I want to make today is that the threat from Russia is grounded in ideas older than Marx and Lenin and Bolshevism, and derives from a culture and civilization fundamentally different from our own -- despite the best efforts of some observers to persuade us that the Russian leaders must think as we do and inwardly share the same spiritual values because they wear Saville Row suits, like jazz, American cigarettes and fast cars, and are personable and intelligent. Abraham Lincoln is said to have asked his Cabinet how many legs a dog would have if you called the tail a leg. They all answered five. Lincoln replied, "No, four. Calling a tail a leg don't make it so." Calling Russia Westernized or European don't make it so. It is vital to understand just how different Russia -- the Soviet Union -- is from us, to understand how different is their history, culture, and outlook. This is an approach unwelcome to some who see it in American ethnocentrism or narrow-minded prejudice of some sort. But listen to the observations of several noted Russian-born historians, especially Tibor Szamuely.*

For centuries, "Most incomprehensible and alien of all, pervading and coloring every Western description of Russia, was the awesome sway of an omnipotent State exercising unlimited control over the persons, the property, and the very thoughts of its subjects" -- and the faithful servants of the monarchs of absolutist Europe were among those who felt this to be a phenomenon beyond the compass of their experience. There is a basic fact that today has been largely forgotten or passed in silence: "Every country of modern Europe either was at one time a province of the Roman Empire or received its religion from Rome. Russia is the sole exception. It is the only country of geographical Europe that owed virtually nothing to the common cultural and spiritual heritage of the West."

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*Nearly all of the following points are quoted or paraphrased from Tibor Szamuely's The Russian Tradition (McGraw-Hill Book Company, New York, 1974), who in turn cites other historians such as Paul Miliukov and V. Kliuchevsky.

The absence of natural frontiers for Russia led to a history of armed struggle against invaders that for length, intensity, and ferocity has no parallel in the annals of any other nation. For centuries Russia was the frontier, "the great open defenseless dividing-line between the settled civilized communities of Europe and the nomadic barbarian invaders of the Asian steppes." This was Russia for a thousand years. The cruel relentless struggle never abated. It was a permanent part of her life for most of her history. The death of the great Khan Batu saved Europe from the Mongols. Russia lived under Mongol rule for 250 years.

This was a national experience and a national existence radically different from that of the West. It created a social and political system, a national character, a mentality, a way of life utterly dissimilar to the patterns evolved in Western and Central Europe. The Mongols gave to Russia a political and administrative system, a concept of society quite unlike anything learned in the West. The Mongol Empire was in fact "a State grounded on an ideology," not just a State among other States but a "World Empire in the Making," the object of which was the establishment, by means of war, of a system of universal peace and of a worldwide social order.

The three centuries that followed Russia's proclamation of full sovereignty after expelling the Mongols were for her people a period of unremitting and relentless armed struggle such as no other still existing nation has endured. It was "the fierce struggle of a nation placed on the frontier between Europe and Asia, on the great dividing line between settled and nomadic society, between Christian, Moslem, and Pagan, of a poor but hardy resourceful nation pushed out of its homeland into the inhospitable environment of northern forests and Arctic waste." . . . "the struggle of a nation that felt it had been assigned by Providence and by nature to the stupendous task of colonizing and settling a wilderness far greater in size than the whole continent of North America . . ." This combination of national purpose, moral fervor, self-defense, and everyday struggle for a bare existence was the driving force behind the Russian people's travail. The state of never ending war gave their society its distinctive form.

In Russia, military service was obligatory and permanent. In wartime, each and all were compelled to go to battle. "And wartime was all the time." To gain an idea of the colossal effort, compare it with medieval military practice in Europe. From the 1300s, Russia raised and maintained a permanent armed force of 65,000 men. At the battle of Crecy in 1346 the king of France commanded the largest army yet seen in feudal Europe — 12,000, and the force of the First and greatest Crusade numbered 25 - 30,000. And these campaigns were "short-lived spurts of energy that left their begetters utterly exhausted." Yet Russia, with a much smaller population than France, maintained its huge army not just for an isolated campaign but for 300 unbroken years, while at the same time conducting an endless series of wars against more highly developed Western neighbors and also colonizing a continent. The result was the rise of a political system "based on the unquestioning obedience and unlimited submission of the subjects, on the principle of the obligations owed by each and every subject to the State, on the impressment into the State's service of all the creative forces of the nation, and on the sacrifice of private interest to the State's demands." The Tsar combined symbols of terrifying power with very real and extremely effective authority over the lives and welfare of every one of his subjects, regardless of degree or rank. The position of the Tsar (of the State) was one of unique strength. He was the sole and exclusive wielder and the source of power. All authority in the country emanated from him. He shared power with no one.

The Russians' attitude toward their state was determined by their acute consciousness of the fact that only a powerful and rigidly centralized State in full control of the nation's every resource could ensure national survival. Another determinant was the centuries-old isolation from Europe and the resulting ignorance and fear of the outside world. But even these cannot account for the ecstatic rapture, the exultation bordering on idolatry with which Russians learned to regard their country and their State. "Russia was a state of mind, a secular ideal, a sacred idea and object of almost religious belief — unfathomable by the mind, unmeasurable by the yardstick of rationality."

Messianic Communism in Russia grows out of a centuries-old identification of Russia with Orthodox Christianity, its cause with the cause of God, its State power with the power of God. The State and the faith became one. In 1510, this found expression in a monk's address to the Tsar: "All Christian Empires have converged into thy single one, two Romes have fallen, but the third stands and no fourth can ever be. Thy Empire shall fall to no one." This became the "Russian idea" — dismissed over succeeding centuries by Western Statesmen and journalists as hypocritical mumbo jumbo. Yet, the conviction that Russia occupied a special place in the world permeated every segment of the Russian people — the ultimate vindication of an otherwise unbearable social and political system. The idea lives on today.

Over the centuries, the Russian idea developed into an exotic amalgam of emotions that struck vibrantly upon the high-strung chords of the Russian soul: "deep national feeling, a sense of belonging to a nation set apart from others by its own history, . . . the conviction that the individuals' duty toward the State . . . transcended all other obligations. . .. the idea that collectivism . . . was nobler than individualism; the assumption that idealism and other worldliness were inherent in the Russian national (spirit) in contrast to the gross materialism of the Western scheme of values. . . . consciousness, to the point of exaggeration, of the profound difference between Russia and the West, the Messianic fervor that imbued the 'Russian idea', the conviction that the Russian nation was a 'God-fearing people' entrusted with the mission of sharing with others the revelation of unity and of true freedom which had been vouchsafed to them alone, and of redeeming the world from the bonds of individualism and materialism."

Russia, as it emerged onto the European stage, had three main peculiarities: (1) the military structure of the State — "great Russia-in-arms" fighting West and East for her very existence; (2) the compulsory, extra-legal nature of the internal administration and social structure; (3) and a supreme authority with unlimited sphere of action. It does sound familiar.

Even at the end of the 18th Century, "Western governments and public opinion began to assume that Russia was a State much the same as any other absolute monarchy, only considerably larger, rather more backward, and consequently mysterious. To a certain extent this was due to ignorance of Russian conditions and to the remarkably thorough-going way in which Russian educated society had adapted itself to the forms of European life. Much more telling, however, was the unremitting conscious effort of the government itself to implant, both abroad and at home, the image of a well-ordered

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society that had chosen its political system partly out of necessity and partly for its manifested advantages."

A final note on the nature of our adversary. Much has been made in recent months about technology transfer to the USSR. I would point out to you that industry and technology were transplanted from the West to Russia, beginning with Italian architecture in the 14th Century and carried forward by Peter the Great. Imagine, if you will, the sight of the great seven-foot tall Tsar touring and working as a laborer in Western Europe in the late 17th century to learn the ways of the West, to hire Western technicians and craftsmen and to acquire whole industries and technologies and factories — which he would bring back to Russia to begin to modernize that backward State. And, as Szamuely observes, this artificial creation was forced upon an unwilling nation by Peter to overcome its military weakness. The very act of modernizing Russia — of establishing and exploiting contacts with the West — from the beginning was to make Russia a great military power. Did Peter intend that Westernization accompany modernization? He once told a companion, "We shall need Europe for a few decades, and then we can turn our backside to her." Can the Soviets' still aggressive quest for Western technology surprise us, realizing that the development of industry in that land originated with a transplant, a foreign graft, artificially protected and fostered by the State from then until now?

It is this unique State which we now confront — a State and a culture shaped by a thousand years of constant war, sacrifice, and the conviction that Russia's destiny is to establish a new world order. And still we ask if they can sustain their defense effort.

The Threat

With this historical insight into the nature of our rival, let me turn to its military machine — the threat itself. The Soviet Union embarked on a long-term buildup of strategic forces which will continue throughout the decade, a comprehensive program intended to achieve military objectives against the United States and Eurasia and involving improvements to offensive and defensive forces and the means to control them. The estimated dollar costs, excluding RDT&E of Soviet strategic forces during the last decade were more than three times US outlays. In 1981 alone, estimated dollar costs of Soviet intercontinental attack forces exceeded US outlays by about 50 percent — even at a time when the US was investing in Trident, air launched cruise missiles, and B-52 enhancement programs.

ICBMs

The Soviet ICBM force currently consists of nearly 1,400 launchers. More than half are SS-17, SS-18, and SS-19 missiles, most of which are equipped with multiple, independently targetable reentry vehicles (MIRVs). The Soviets have nearly completed a modernization program to deploy large numbers of the most accurate versions of these ICBM systems. As a result, the Soviets now possess the necessary combination of ICBM numbers, reliability, accuracy, and warhead yield to put most of the US Minuteman and Titan silos at risk from an attack with a relatively small proportion of their ICBM force. Each warhead on the MIRVed SS-18, for example, has a better than 50 percent chance of destroying a Minuteman silo. The single RV versions of the SS-18, with their large destructive power and accuracy, are capable of destroying, with high probability, current fixed targets. ICBMs not suitable for hardened installations can be targeted against strategic bomber airfields, conventional military bases, including ports for repair and basing of US SSBNs, and administrative and economic centers. In 1981, estimated Soviet dollar costs for ICBMs were 10 times as large as US outlays.

Soviet ICBM modernization will continue over the next 10 years. We already have identified four new ICBM programs. These programs feature further improvements in accuracy and increased survivability. One is a solid-fueled missile, believed to be medium-sized, which carries a MIRV payload and is probably intended as a replacement for the SS-11 and perhaps the SS-17. Another may serve as a mobile ICBM. While retaining existing types of liquid missiles, such as the SS-18, future solid-propellant ICBM development and deployment will give the Soviets additional flexibility in handling and in basing their missile forces.

The Soviets currently have deployed over 5,000 warheads on their ICBMs. They are in a position to add several thousand warheads to their ICBM force by the end of the decade.

SLBMs

The Soviet intercontinental ballistic missile submarine force currently consists of 62 modern SSBNs. These SSBNs — YANKEE, DELTA, and TYPHOON-class units — are armed with 950 missiles (SLBMs) with a total of almost 2,000 nuclear warheads. The estimated cumulative dollar costs between 1972-81 of Soviet SLBM programs was about 65 percent greater than corresponding outlays by the US.

The range capabilities of the Soviet SLBMs capable of strikes against the US vary from 3,000 kilometers for the SS-N-6, carried by YANKEE-class submarines, to 9,100 kilometers for the SS-N-8, carried by DELTA I and II-class units. The accuracies and yields of these missiles also vary, but none currently have the combination of accuracy and yield necessary to threaten hard targets such as US ICBM silos. Soviet SLBMs would, however, be effective against a range of targets, including US SSBNs in port and bomber bases. The portion of the bomber force held on alert for rapid take-off would escape the strike, assuming DOD planning factors are correct.

Over the next 10 years, the Soviets will deploy more SSBNs armed with long-range, more accurate missiles. Their force of submarines with long-range missiles is capable of striking targets in the United States while remaining in waters close to the Soviet Union where they can be protected by other naval and air forces.

The overall size of the force is likely to remain unchanged. But, as newer MIRV-capable SLBMs are deployed in greater numbers, the Soviet SSBN force will be able to cover additional targets. If the SS-NX-20 carried by the TYPHOON-class submarines were fitted with seven warheads — the number carried by the SS-N-18 — six TYPHOONs could cover more targets than all of the current operational YANKEEs together. The accuracy of Soviet SLBMs will improve over the next 10 years and they might achieve a limited hard target capability by the early 1990s.

IRBMs

The Soviets currently have some 580 intermediate and medium range ballistic missiles carrying about 1,250 warheads deployed in bases throughout the USSR. They still have about 240 older SS-4 MRBMs and SS5 IRBMs. They also have deployed about 340 highly accurate SS-20 mobile IRBMs, each with three independently targetable warheads. All but about 100 of these are opposite NATO. The Soviets have instituted a moratorium against additional SS-20 deployments in the western USSR, but we expect the force to expand in the east.

Bombers

Even in this area the US has considered its preserve for many years, the Soviets are showing new interest. The Soviets

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are developing a new intercontinental bomber that is similar in appearance to, but larger than, the US B-1. The new bomber will probably begin to enter service with the Soviet Air Forces during the mid-to-late 1980s. It is expected to have a supersonic capability and the ability to penetrate Western air defenses at low altitudes. The Soviets probably will configure the new bomber to carry free-fall bombs and long-range cruise missiles. This weapon flexibility would allow them to use some of the new bombers to penetrate air defenses and deliver bombs, while using others as standoff platforms for launching cruise missiles.

The Soviets currently have some 150 heavy bombers assigned to their strategic aviation forces. Almost half of these aircraft — some 70 TU-95 Bear — are equipped with air-to-surface missiles that can be used to attack both land and naval targets. These aircraft could be reequipped within the next several years to carry long-range cruise missiles. The additional cruise missile carriers could be used to complement the new bombers.

The Soviets continue to produce about 30 Backfire bombers per year and about half are assigned to the Soviet Air Force. The Backfire probably is intended for strikes against land and naval targets on the periphery of the Soviet Union and Warsaw Pact countries, but has the capability to perform missions against the US under certain circumstances. Moreover, the Soviets also may choose to equip it with long-range cruise missiles, which would increase significantly the area threatened by the Backfire.

Ballistic Missile Defense

The USSR is currently upgrading and expanding ballistic missile defenses at Moscow within the limits of the ABM Treaty. The Soviets will increase the number of ABM launchers at Moscow to the Treaty limit of 100 by the mid-1980s. Such a force could be easily overcome by a large US missile attack, but it would provide some protection against small attacks. Research, development, and test programs are improving their ability to expand ABM defenses, although there is no evidence at this time that they are planning to do so.

In the strategic defense area generally — ABM, SAMs, interceptors, and control and warning systems — the estimated cumulative dollar costs of Soviet spending were more than ten times as great as US outlays between 1972 and 1981 and for 1981 alone more than 20 times as great, reflecting differences in the two countries' strategic doctrine and differences in the bomber threat.

The great disparity between Soviet and US outlays year after year for a decade -- and before that, Soviet expenditures in strategic weaponry in the late 1960s and early 1970s when US defense resources were focused on Vietnam — has led to substantial cumulative advantages for the USSR.

And do we see a slowing? In the first three years of this decade, we have already identified as many systems under development as in each of the previous two decades. Among these are fighter and airborne warning and control aircraft, ballistic and cruise missiles, space systems and submarines. We project that more systems will reach initial operational capability in the 1980s than in either the 1960s or 1970s. The new systems cover the full range of technologically advanced weaponry the Soviets will need to modernize all major elements of their forces.

Steady expansion of production floorspace — averaging 2-3 percent a year — has also occurred since the mid-seventies. This has provided the Soviets with the potential to translate the new systems into deployments in the field.

The Challenge in the Third World

In many respects, a description of Soviet intercontinental attack forces, and even the forces opposite NATO and China, tends to obscure what I regard as the more immediate threat posed by the Soviet Union now and for years to come: the challenge in the Third World. Even here the Soviets bring important advantages.

- The first is the ability to provide substantial quantities of weapons of varying degrees of sophistication with great speed and often attractive terms to countries in need of arms, either for internal control, national defense, or aggression. The steady flow of arms from the great depot at Nikolayev to Syria, Cuba, Iraq, and a host of other nations is testimony to attractiveness of Soviet weapons. What is so dismaying is the ready availability of huge stocks of weapons, which permit the Soviets to answer calls for military equipment almost immediately. And with the weapons come Soviet advisors, maintenance, and resupply.

- A second advantage is the Soviet program of active measures or covert action. All that need be said and can be said is that the program is vast, sophisticated, well-funded, and highly professional. It incorporates the full range of such activities, including agents of influence, political manipulation, propaganda, forgeries, and disinformation, exploitation of instability, and support of insurgencies.

- A third advantage is an aggressive program of training for both military and security forces in host countries and in the Soviet Union itself.

- A fourth advantage is the Soviets' opportunity to make use of surrogate or proxy governments which provide military forces. In Ethiopia and Angola, the Cubans help maintain the current governments in power and at the same time are able to ensure that forces hostile to the Soviet Union and Cuba do not threaten sympathetic governments. In Central America, Cuba has armed Nicaragua with older Soviet weapons and Nicaragua in turn has become an exporter of revolution and insurgency. Surrogates minimize the cost and risks for the Soviet Union of involvement in the Third World and at the same time lessen the chances of the kind of dramatic expulsion that the Soviets endured in 1972 in Egypt or the loss of a sympathetic figure as in Chile in the early 1970s.

In sum, I believe the most likely immediate threat from the Soviet Union during the next decade will be the Soviets' exploitation of economic, social, and political problems in the Third World to foster instability and that the arsenal of tools they have at their disposal makes them a formidable adversary in this arena as well as in the strategic military competition. It is not accidental that their new more active role in the Third World began in the mid-1970s and coincided with our expulsion from Vietnam. That and subsequent events led the Soviets to conclude that the United States would not compete militarily in the Third World. As long as they perceive the risks of confrontation with this country to be small, they will not hesitate to exploit any opportunities that present themselves.

The Soviets also see an opportunity to exploit differences between this country and our allies and will use every means at their disposal to magnify those differences and to use them to divide the West. In the forefront of this has been their broad effort to derail the deployment of INF. While it is hard to

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quantify the magnitude of that effort, I can tell you that there have been some estimates that their campaign to prevent deployment of the enhanced radiation weapon (neutron bomb) in the late 1970s involved a covert program costing perhaps as much as $100 million.

A final word about the threat. I believe we will not see open Soviet aggression against an ally or China or Iran, for these are dramatic actions the Russians know would galvanize the West, and give new life to NATO and preparedness even in the most cost-conscious countries. No, the Soviet way has been far more clever than Hitler's open aggression. They strive to avoid armed conflict with important and militarily strong adversaries, as in 1939 and in 1962. They use military power cautiously and most often when they have overwhelming force. But they advance where there is a vacuum, where hostile forces are weak, or they insinuate themselves through clandestine means. They believe time is on their side; there is no need to hurry. The fruit will drop when it is ripe. And the circumstances will usually be sufficiently ambiguous that their role cannot be proven to a skeptical, disbelieving West.

Vulnerabilities

I have sketched out a mindset and an arsenal of weapons and other instruments of foreign policy that suggest that we face a formidable adversary indeed. But it is an adversary with weaknesses and vulnerabilities.

- The United States does not stand alone. The Soviet Union faces also a powerful NATO Alliance in the West, and China in the East. The military might of the United States and its allies is great and growing stronger. The economic might and technological prowess of the United States and its allies is overwhelming.
- The Soviet economy is in trouble. There are signs that the factories may have trouble producing all of the weapons and equipment that the Soviet military would like to obtain.
- The Soviet Union depends importantly on imports of grain, technology, and production techniques from the West.
- The Soviet Union cannot rely upon its allies indeed, revolts over a generation in Hungary, Poland, and Czechoslovakia raise questions of the reliability of their forces for the Warsaw Pact. The inability of the Soviet Union to absorb these states is, in itself, evidence of the fundamental cultural and historical contrast between Europe, of which they are a part, and Russia.
- The Soviet Union has little to offer developing nations either in terms of economic assistance or as a model of an effective economy.
- Russian advisors, military and civilian, tend to be detested in virtually every country in which they are hosted.

In sum, the Soviets are not ten feet tall and they do not march in seven league boots. They have problems and they have vulnerabilities, both of which can be exploited. But they are also flexible, patient and determined. Lenin once said "Two steps forward, one step back." Despite its great vulnerabilities, Russia grew over the centuries in just this way — probing outward, exploiting opportunities and the vulnerabilities of its enemies, enduring setbacks (some of them dramatic), but always reasserting the relentless pressure. This was the pattern of Russian expansionism for centuries, and so it still remains.

Conclusions

Will Durant once calculated that in the last 3,400 years of recorded history, only 268 have seen no war. The monumental conflicts in my story, as described at the beginning, were those between the emerging civilizations of the West with one concept of the relationship between an individual and the State, and the despotisms and barbarisms of the East with a fundamentally different view of that relationship. And when those Western civilizations grew tired or lost their will, or for whatever reason let down their guard, destruction followed. Edward Gibbon's words in The Decline and Fall of the Roman Empire still seem relevant today: "The Romans were ignorant of the extent of their danger and the number of their enemies. Beyond the Rhine and the Danube, the Northern countries of Europe and Asia were filled with innumerable tribes of hunters and shepherds, poor, voracious and turbulent; bold in arms and impatient to ravage the fruits of industry . . . The endless column of barbarians pressed on the Roman Empire with accumulated weight." A thousand years of Russian history — and Marxism-Leninism as well — whisper to the Soviet leadership that conflict is inevitable, that the contest for supremacy is unending, that one side will win and the other will lose, and that destiny or God or the forces of history will ensure Russia's victory.

President Kennedy some 20 years ago observed that we were involved in a long twilight struggle. We have now been in that struggle for just 35 years. Compare that, if you will, with the centuries of struggle between Rome and the barbarians, the two and a half century struggle between Europe and the Mongol horde, and the 200 year struggle against the Turks. It is a long struggle that stretches before us and the Russians are banking on the fact that we lack the will to sustain the competition.

As a final thought, therefore, I would suggest to you that the chief threat posed by the Soviet Union is not necessarily in the vastness of its military forces — though vast they are, but, like the barbarians facing Rome, in the relentlessness of their assault. The "endless column of barbarians" is pressing on. The question of inestimable historical importance as we strive both to counter the Soviet threat and to diminish the dangers of nuclear conflict is whether we will remember the origin and nature of the contest, and the lessons of history: that the whole historical experience of our adversary teaches him that conflict is constant and inevitable; and that eventual victory in the competition is Russia's destiny and the justification for its centuries of hardship and sacrifice. And so, despite our fondest hopes to fulfill Isaiah's prophesy, all of human history — and especially all of Russian history — points to our need and the need of our children and their children for swords as well as plowshares. It is not a forecast of an altogether felicitous future — but it is a forecast of a free one.

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Robert M. Gates

Is the CIA's Analysis Any Good?

Yes.

The Central Intelligence Agency was created to provide comprehensive, all-source collection and analysis of information so that we might prevent strategic surprises like Pearl Harbor and be forewarned of other developments adverse to American interests. Granted, the effort is immense and complex. Recent press accounts prompt some to ask: Is it any good? Is it honest and objective?

There is little question that maintaining the quality of CIA assessments became much more difficult in the late 1960s and the 1970s. Collection capabilities declined. Our analytical effort on the Third World had been significantly reduced by the early 1970s—just when problems there were multiplying.

By 1980 the number of analysts working on the Soviet economy (including defense industries) had declined from over 300 to fewer than 50. There was little money for analysts to travel abroad or to meet with nongovernment experts at home. Many academics were unw' g to talk to us and share ideas. From 197. 1977, moreover, CIA had five different directors, and from 1975 to January 1982, there were six chiefs of the analysis directorate—the Directorate of Intelligence.

Much has changed in the past five years. The resource picture began to improve in 979, thanks initially to the House and Senate versight committees. We have since made npressive strides toward rebuilding the orps of analysts. New resources for the entre intelligence community have greatly improved the collection of information across the board. We have also undertaken sweeping measures to improve the quality of analysis.

The directorate of intelligence was reorganized in 1981 to bring political, economic nd military experts together in regional offices. We have dramatically expanded our ontacts outside government, drawing on an ctraordinary number of experts in universities, think tanks and business for information nd ideas. We require all CIA analysts to have utside training every two years.

CIA has strengthened longer-term analytical search, long put at risk by the pressures of y-to-day reporting. In the first nine months of s year we issued some 700 research studies · nearly every department of government. r the first time there are adequate funds for alyst travel and work overseas as well as consu. with again-cooperative academic and er experts at home.

CIA assessments now are subjected to more rigorous internal review than ever before. Every manager at every level reviews all substantive assessments that come out of his organization. We often offer drafts for comment (though not consent) to senior military commanders, embassies and experts in other agencies. Many of our assessments are reviewed by nongovernment experts.

We not only offer our best estimate of what will happen in a given situation but also inform our readers of other possible though less likely outcomes—and the implications of each. I cannot say this approach would have enabled us to predict the fall of the shah in 1978-79, but I believe that that outcome now would certainly be addressed as a possibility.

We are more candid now with our readers about the level of our confidence in our judgments and the reliability of our sources. We also make more of an effort to lay out our evidence. Using the example of the fall of the shah, under present practice we would have acknowledged the paucity of information on internal Iranian affairs and the self-serving nature of some of our sources.

We now evaluate past CIA assessments and national estimates to see how they have held up over time. The directorate of intelligence has for the first time its own independent evaluation staff. We voluntarily share these evaluations with the House and Senate oversight committees.

We organize special task forces of agency experts and outside specialists to do competitive analysis and to ensure we are examining all aspects of key problems. We submit our work on important issues, such as the Soviet economy, to panels of outside experts for scrutiny. Finally, the skill and dedication of analysts in CIA and elsewhere in the intelligence community are exceptional—perhaps never better.

While some of the criticism in the press of our capabilities and acumen is justified, most of it is grossly inaccurate. I urge the reader to consider the access and motives of sources of criticism—and to be alert to later retractions. Meanwhile, I have hundreds of letters, cables and messages, from the president on down, commending our work. Various news organizations report that policy-makers and members of Congress acknowledge that the quality of assessments has improved markedly.

CIA was created in part to ensure that intelligence assessments would be prepared by people with no stake in approval of weapons programs, defense budgets or particular policies. Perhaps the strongest cultural trait common to all CIA analysts is a very deep sensitivity to the dangers of politicization. Indeed, sometimes we bend perhaps too far toward an adversarial relationship with policy-makers to avoid even the appearance of being suborned.

There is no question that policy-makers have always been intensely interested in the outcome of our assessments, especially on contentious issues. If they were not, it would mean we were working on the wrong problems or were irrelevant. Beyond our natural, visceral independence—contrariness, some would say—a number of safeguards exist:

Approval of CIA's assessments rests with intelligence professionals. I have been with CIA nearly 20 years. I am the final approving official for all of CIA's daily production of current intelligence that goes to the president and senior government officials. The director of Central Intelligence (DCI) first sees it at the same time as the policy-maker. I also approve all longer-range assessments.

Our assessments go to the two congressional oversight committees. I am confident they would not hesitate to act promptly if they detected a policy slant. In addition, both Foreign Relations, Armed Services and Appropriations committees receive a great number of our assessments.

A variety of other groups, both independent of CIA (the president's Foreign Intelligence Advisory Board), and inside the Agency, also evaluate CIA assessments and estimates.

Directors of CIA have always played an active role in the preparation and approval of national estimates, which are produced by the entire intelligence community. Similarly, our directors always have had strong views on the major substantive issues we analyze. John McCone, President Kennedy's DCI, believed the Soviets would send missiles to Cuba in 1962 long before the intelligence analysts agreed. However, national estimates also are reviewed by the heads of a dozen other intelligence organizations. The estimate that recently was alleged, in the press, to be slanted went through many drafts and even then

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nearly half the community's intelligence agencies dissented—and the dissent was spelled out on the first page.

Finally, perhaps the best guardians of the integrity of the process are the caliber and honesty of the people involved. We are not cowards. We present assessments unwelcome to policy-makers day in, day out on a broad range of issues, and we have for a long time. I believe most policy-makers would attest that, especially on controversial issues, intelligence assessments are more likely to be troublesome than supportive.

Our assessments are not produced in an ivory tower atmosphere. The debates and clash of ideas sometimes are rough. No one's views—from the director to the newest analyst—are protected from challenge. It is not a place for delicate egos or mediocrity or people with special agendas.

But, however hot the debate or pointed the questions during the drafting, the final product is as honest and accurate as humanly possible. Despite imperfections, CIA and the intelligence community produce the best, most comprehensive and most objective intelligence reporting in the world. We are working every day to make it better, and however surprising it may be to our critics, we believe they contribute to this process, and so we listen to them.

The writer is chairman of the National Intelligence Council and CIA's deputy director for intelligence.